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**BAD EXAM
RESULTS?**
SUE THE SCHOOL

ESSAY PAGE 18

**THE NEW
WRITERS
OF INDIA**

The surf and turf solution

Deals on fish quotas and beef could herald a breakthrough in Europe

Sarah Helm
Brussels
Anthony Bevin
Political Editor

The European Commission will today offer Britain an outline deal to solve the problem of fish quota-hopping, opening the way for the most important political breakthrough yet in the new Government's relations with Europe.

Government sources also hope that a deal can be reached by the summer to end the ban on some UK beef exports. While there is extreme caution on beef, because expectations have so often been raised and dashed before – not least by John Major after last year's Florence summit – it is now hoped that a start can at long last be made with beef exports from Northern Ireland.

Emma Bonino, the fisheries commissioner, is to hold talks in Brussels today with Jack Cunningham, the Secretary of State for Agriculture, and Elliot Morley, fisheries minister, and will propose ways of limiting the number of quota-hoppers.

The offer of a deal on quota-hopping could help smooth the way to a deal wider negotiations on European Union reform, which come to a head this week, as concerted attempts are made to finalise the Amsterdam treaty, to be signed next month.

Today Robin Cook, the Foreign Secretary, holds his first meeting with European partners, in The Hague, to discuss the treaty, and, on Friday, Tony Blair meets European heads of government for a mini-summit



How now, brown cow? The Prime Minister makes a new friend yesterday, as the Government hoped for a resolution of the lengthy dispute over the Common Fisheries Policy, and an end to the EU-wide export ban on British beef appeared closer than ever
Photograph: Peter Macdiarmid

erment, which restricted British fishermen from claiming generous subsidies from Brussels to pay-off old vessels.

The European Commission has always accepted the fact that foreign vessels can take up to 46 per cent of the British quota of species such as hake and plaice makes a nonsense of the EU policy of national fish quotas.

A solution to the BSE-related beef ban, as well as fisheries, would create an enormous boost to the standing of the new Government – hard evidence that new Labour goodwill can work wonders, while Mr Major's Euro-sceptic approach jammed the works. One well-placed Government source has told *The Independent* it is possible that the logjam could be broken as soon as next month, with Northern Ireland providing the first link in a chain reaction that could then move on to take in some Scottish herds.

While that was always expected to be the case, because of Ulster's computerised system of tracking its cattle, the breakthrough had not been on the table when the Conservatives left office earlier this month. That is what is now being sought by Mr Cunningham, and Labour sources are hopeful of making that breakthrough by the time the Commons breaks for the summer.

Honeymoon is over, page 13



Daughter of the night forces Howard to meet his Nemesis

Nemesis waddled into the Chamber and parked her black bag on the floor. There she sat patiently for over an hour, peering inside an orange folder from time to time, or consulting her electronic pager. Twice she shifted along the bench, both times ensuring that she was sitting directly behind the man she was stalking. Nervous Conservatives pointed at her and giggled.

In classical mythology Nemesis (grand-daughter of Chaos, daughter of Night, and sister of Blame, Woe and Fate), was supposed to have had about her a touch of Aphrodite, and to have carried an apple and the branch of a tree. This one was not so favoured in terms of looks, and would not have suited a single bit of wispy gauze at groin level. Instead her unfashionable cross glistened against her white blouse, and her jacket in the violent blue and green tartan of the Clan Widdicombe, clashed horribly with the decor.

But she was about to undergo a transformation, and most people present already knew it. The butt of popular humour was to become the vehicle of popular retribution.

The formalities of debate had been observed. A blast from the past called David Maclean (the man who once opined that all drunken beggars were Scottish) had attacked the new government by praising his own defunct one, and



DAVID AARONOVITCH

Jack Straw – dismissing this airily – had outlined 100 horrible things that would happen to wicked juveniles under Labour.

Then hush fell, as Nemesis was called. Two rows in front of her the man who had once – and for years – wielded immense power over prisoner and refugee, sat bolt upright, facing

away from her, his lips pursed and his face completely still.

Nemesis had a warning for all. "It should alarm us," she began, in voice like the falling of a guillotine blade, "that the House is now so comprehensively viewed as devoid of honour and a sense of service. Whatever fun the public make of us, no matter how upset they may be by our decisions it is essential for there to be an underlying view that Members of the House are just, honourable and truthful."

But something had happened to make this impossible; and that something had happened on her watch. When she had worked with the former Home

Secretary (her "Right Honourable and Learned Friend") he had misled the House of Commons. Not lied, not fibbed, not told a direct falsehood, but done everything possible to conceal his true actions in the matter of Mr Derek Lewis and the governor of Parkhurst prison.

And he had got away with it because he "has an exquisite way with words." The meaning was nothing, the effect everything.

Mr Howard (still staring straight ahead) had behaved in this way because his "first reaction to attack is denial and refuge in semantic prestidigitations." Semantic prestidigitations! What an epitaph on a modern political career! If there was any one reason why the Tory benches contained such a pitifully small number of MPs, it was because of the voters' feelings about years of "semantic prestidigitations". Or cynicism, as it is also known.

Agamemnon, laid low by an earlier Nemesis, recognised how the Greeks' "arrogant grandeur had made them forgetful of the common cause". Well, tartan will serve as well as gauze to make that point. Yesterday something of the Night certainly touched Mr Howard – the pudgy but righteous hand of Nemesis, the daughter of Night. And the whole of politics shuddered.

Howard scuppered, page 9

Brown orders Treasury to open its books

Anthony Bevin
Political Editor
Diane Coyle
Economics Editor

Treasury forecasts are to be opened up to independent scrutiny by the National Audit Office, with a clear hint of suspicion that the books were cooked by the Tories.

Gordon Brown, the Chancellor of the Exchequer, will announce the unprecedented, independent audit of his predecessor's accounts in the Commons today, and MPs will receive a direct report from Sir John Bourn, the Comptroller and Auditor General, in good time for the summer Budget.

The National Audit Office, Parliament's independent financial watchdog, replaced the centuries-old Exchequer and Audit Department in 1983, with beefed-up powers under a Comptroller whose independence was reinforced by Statute. In 1995, his office audited public funds of more than £500bn: with a standing order to monitor the efficiency and effectiveness, as well as the propriety, of public spending.

But the new role to be picked up by Sir John today marks an historic first – the ability to question the Treasury's most sensitive political assumptions on issues like economic growth.

A Treasury source told *The Independent* last night that Sir

John had been asked to question a number of the "rosy" assumptions made by officials working under the instructions of Kenneth Clarke, the former Conservative chancellor.

In particular, Sir John's officials would be examining the forecast for the underlying trend rate of economic growth, put at 2.5 per cent "over the rest of the 1990s" in Mr Clarke's last Red Book *Budget Report*. That estimate compares with an average growth rate of 1.7 per cent for the 18 years of Tory rule.

Another assumption being questioned by the Treasury's new management related to the assumption that a "spend to save" investment of £800m in fighting fraud and revenue evasion would reap savings of £6.7bn over the next three years. That assumption could have led to an artificial lowering of the Public Sector Borrowing Requirement.

Mr Brown will tell MPs today that he wants to restore trust, honesty and openness to public finances, and Sir John could now be given a continuing role in reporting to Parliament on future Budget forecasts.

In a speech to the Confederation of British Industry tonight, Mr Brown will reinforce his pledge to be tough on government spending and borrowing and that the Budget next month will look to the long-term needs of the economy.



BEST IN GLASS



BEST IN GLASS

CHILSEA FLOWER SHOW	20-22 May
RECREATION, NATIONAL CUP	20 May-1 June
ROYAL THEATRE, ISLE OF WIGHT	31 May
1ST COWHILL TEST MATCH V AUSTRALIA, EGBASTON	5-6 June
GARNSINGTON OPERA	19 June-5 July
ROYAL ASCOT	17-20 June
WIMBLEDON TENNIS CHAMPIONSHIP	23 June-6 July
POUL, VEUVE CLICQUOT GOLD CUP, COWDRAY PARK	25 June-29 July
HENLEY ROYAL REGATTA	2-6 July
RAMPTON COURT PALACE INTERNATIONAL FLOWER SHOW	9-13 July



Veuve Clicquot

CHAMPAGNE OF THE SEASON

Sponsors stubbed out
Cigarette company logos are to disappear from cricket grounds, snooker halls and motor-racing circuits under plans announced yesterday to ban tobacco sponsorship of sport.
Page 3

Slaughter revealed
Codebreakers at the Bletchley Park cipher school cracked Nazi messages revealing the slaughter of hundreds of thousands of Jews a year before the Nazis launched the Final Solution.
Page 7

Desert island dispute
The Spratly Islands barely make it on to maps, or even on to the HMS *Illustrious* radar as the ship passes by. But, as *Richard Lloyd Parry* reports, these insignificant islands could spark an Asian war. Page 12

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significant shorts

Radioactive gas 'not to blame' for cancer cluster

Radon gas was yesterday ruled out as a cause of a leukaemia cluster which killed a teenage boy and struck two of his schoolmates. Detailed testing carried out at the school at Camelford, Cornwall, found levels of the gas were within recognised limits for non-domestic buildings. Cornwall has the country's highest levels of radon, a naturally occurring radioactive gas.

Last autumn, the authority revealed investigations concluded that neither the Camelford acid water disaster in 1988, nor electromagnetic fields from an overhead power cable in the area of the school caused the cluster. In the water pollution incident, supplies to 20,000 people in the Camelford area were affected after 20 tonnes of aluminium sulphate was accidentally dumped into the wrong tank at a water treatment works.

Health experts were called in by the health authority after three teenagers in the same 25-strong tutor group at the Camelford school were diagnosed as having leukaemia.

RAF Harrier pilot ejects to safety

An RAF pilot escaped when his Harrier jump jet crashed yesterday. He ejected from the plane which came down in a field near the White Water Reservoir north of RAF Wittering on the Cambs/Lincs border. He was taken to hospital but was not seriously injured.

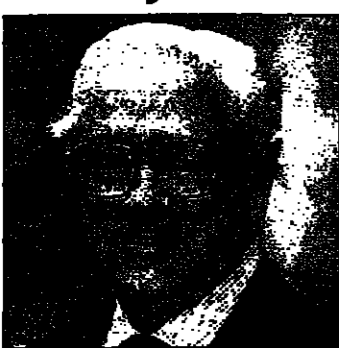
An RAF spokeswoman said there were no reports of damage to property or injury to people or livestock on the ground. It is not yet known whether the plane was landing or taking off when it crashed. An internal investigation is under way into the loss of the jump jet, which was worth several million pounds.

Two injured in manhole cover blast

Two people were injured, one seriously, when a manhole cover was blown off by a blast yesterday in a crowded street. The incident happened at around 3pm on Newport Place at the junction of Charing Cross Road in London's West End.

A male passer-by suffered 30 per cent burns to his legs in the incident and a woman sustained minor head injuries.

Casualty unit to face axe after all



Hospital campaigners have been left disappointed and "feeling cheated" after the Government announced it would not overturn a controversial Conservative decision to close part of a London hospital.

Alan Milburn, Minister of State for Health, yesterday announced a review of services at Edgware Hospital - but insisted the closed Accident and Emergency unit would not be reopened.

The future of Edgware Hospital erupted onto the political stage last year when local MPs Hugh Dykes and Sir John Gorst (pictured) threatened to resign the "tory whip and end John Mayor's majority in the Commons if the casualty unit was closed. Both MPs lost their seats at the general election.

Union boss quits amid acrimony

The suspended general secretary of the largest college lecturers' union has stood down amid allegations of incompetence, leaving his union to embark on its annual conference without a leader.

John Akker, the newly-deposed leader of the National Association of Teachers in Further and Higher Education, accepted an early retirement package after a key National Executive sub-committee passed a unanimous vote of no confidence in him.

However, it is understood Mr Akker, who had two years on his five-year contract left to run, may mount a legal challenge against his former union over the procedures used to oust him. His departure leaves NATFHE leaderless for its conference, starting in Scarborough on Saturday. There are understood to be six contenders for the general secretary's post.

Unison outrage at voucher wages

A union leader yesterday called for an inquiry into an old people's home which is part-paying staff in shopping vouchers instead of money.

Bosses at Alexandra House in Great Yarmouth, Norfolk, said the vast majority of workers were happy with the arrangement. But John Toomey, Unison's regional officer for East Anglia, said the arrangement was "outrageous" and a practice that belonged in history.

Orchid goes public after 50 years

The Lady's Slipper Orchid, Britain's rarest wild flower has gone on public display for the first time in more than half a century after being saved from extinction.

English Nature yesterday revealed the location of seedlings of the orchid after years of secrecy. For 50 years, only one mature Lady's Slipper has been growing in England, and its whereabouts have been one of conservationists' closest guarded secrets.

About 18 months ago, seedlings developed from the plant after more than 15 years of research at Kew Gardens were planted out in five other locations. In a dramatic move towards the plant's revival, English Nature has announced one of the places was along Ingliston Glens Waterfall Walk near Settle, North Yorkshire.

people



IN FATHER'S SHADOW: Aleida, daughter of Che Guevara, at the launch yesterday of a CD of tribute songs written and recorded to mark the 30th anniversary of the revolutionary's death

Barclays chief to lead reform of tax and welfare system

Martin Taylor, chief executive of the Barclays banking group, yesterday became the second top businessman to be drafted in to spearhead Government reforms, after being appointed by the Chancellor, Gordon Brown, to head a task force aimed at streamlining the tax and benefits systems.

But Labour's new-found affinity with business may soon run into controversy. It was revealed earlier that Peter Jarvis, the retiring chief executive of the Whitbread brewing and leisure group, who was in line to chair the Government's Low Pay Commission, was himself paid more than £1m last year. The figure represents around £520 an hour, or over 150 times the £3.20-an-hour level, which he is thought to favour as the threshold for any minimum wage.

Mr Taylor's job comes swiftly after the appointment of Sir David Simon, the former chairman of BP as minister for trade and competitiveness in Europe, in the Department of Trade and Industry. The latest task force, which will be entirely Whitehall-based, and is expected to last a year, fulfils a manifesto commitment to streamline and modernise the system, to promote work in-

centives, reduce poverty and welfare dependency, while "strengthening community and family life".

Mr Taylor said he "didn't want a committee of the great and the good"; rather he expected it to consist of himself and four civil servants, one each from the Treasury, the Inland Revenue, the Department of Social Security, and the Department for Education and Employment.

Mr Taylor, an Eton-educated former financial journalist, will give two days a month to the project. He said he would be taking depositions from outside bodies, but the challenge would be to "discipline ourselves to keep on the question", which he conceded was extremely broad.

Meanwhile, the latest accounts for Whitbread revealed that Mr Jarvis's basic pay and bonus rose 7.9 per cent, to just under £599,000 in the year to 1 March, but he also cashed in share options which netted him an additional profit of £441,000. The indications from Downing Street are that Mr Jarvis may not now be in the running for the Low Pay job. His candidature has met with considerable hostility from trade union leaders.

Magnus Grimond

Rabbi takes leading role in health debate

At the age of 47, Rabbi Julia Neuberger (right) already has a string of prestigious achievements to her name. She became the first British woman rabbi with a congregation, is chair of the largest community health trust in Britain, and is Chancellor of the University of Ulster.

Now she will be at the forefront of the National Health Service debate after being appointed yesterday as chief executive of the independent think-tank, the King's Fund.

The fund, established 100 years ago by the then Prince of Wales, later Edward VII, and which employs around 200, is a respected forum for new thinking in health policy. Under Rabbi Neuberger, the organisation is expected to take a more pro-active role in health policy, at a time when the new Labour Government begins its own restructuring of the NHS.

Rabbi Neuberger said yesterday she was "thrilled" to be appointed. "I have always had enormous respect for the work of the fund."

She added: "As the new Government begins its programme, there are very substantial and challenging issues to be faced for health care in its widest sense, including social care and housing, both in London and throughout the country."

Michael Streeter



both in London and throughout the country.

Already a fellow of the King's Fund Management College, Rabbi Neuberger was also quick to refer to the body's "commitment to the principles of social justice and to support bold and innovative work."

Her appointment, which brings with it a salary of more than £90,000, was approved by the charity's president, Prince Charles, and was the unanimous choice of the management committee, out of around 100 original applicants.

One of her early priorities when she takes over from current chief executive, Robert Maxwell, in December, will be to help reduce the fund's overspend, which last year reached £780,000.

Michael Streeter

Hawking launches supercomputer

Professor Stephen Hawking yesterday admitted he was wrong to predict 17 years ago that, by now, scientists would have developed a unified theory explaining the structure of the universe - but then forecast that in 20 years' time they will.

Professor Hawking was speaking at the official launch in Cambridge of a new supercomputer able to model the earliest moments of the universe after its creation, 15 billion years ago.

Speaking through his speech synthesizer, the physicist - who suffers from motor neurone disease, said he had hoped physicists and mathematicians would have developed a "grand unified theory" for the universe by 2000.

Such a unified theory - tying together and explaining the interaction of universal forces such as gravity and electromagnetism - has eluded generations of great minds, including Albert Einstein.

The new £2m computer, called Cosmos, could play a key part in that by allowing theoreticians to model the growth of the universe from its earliest moments. "The calculations involved are so enormous they require a state-of-the-art machine," said Professor Hawking.

The computer - contains 32 individual processors and 8,000 megabytes of main memory

Charles Arthur

briefing

EDUCATION

Ban on interviews urged to stop selection by schools

Pre-admission school interviews should be banned to reduce covert selection by comprehensives, says a new paper published today. The controversial assertion by academics at the London School of Economics would mean that schools such as the Oratory, the London grant-maintained school attended by the Prime Minister's son, would no longer be able to interview pupils and parents to confirm their religious affiliation.

Schools which do not stick to their published admissions criteria should be fined, the paper also proposes.

David Blunkett, the Secretary of State for Education, has promised a review of admissions policies to ensure that they are fair and open after a recent Audit Commission report said admissions were in "gridlock".

At present, church schools and opted out schools are free to decide their own admissions policies. One in five parents fails to get their first choice of school. The fairest system, says the paper, would be for one body - probably the local authority - to control all admissions in an area.

Judith Jude

SPENDING

An 'Upstairs, Downstairs' life

Researchers are predicting a return to the "Upstairs, Downstairs" society after finding that domestic service was the single fastest growing item of consumer spending over the last decade.

Households spent £18bn on nannies, home helps, cleaners, gardeners, and window cleaners in 1996, according to the new edition of the *Lifestyle Handbook* from the Advertising Association.

The domestic services category has grown by almost 150 per cent since 1986, mainly reflecting the needs of working parents for child care. The category only just grew faster than spending on education - attributable to the replacement of student grants by student loans.

Other increasingly popular items were CDs and video tapes, which grew by 118 per cent over the 10 years, and cinema spending, which grew by 111 per cent. The biggest fall in spending was on coal, television and video repairs, shoe repairs, sugar and television rental.

Domestic service was the 11th highest total spending category for UK consumers in 1996. Top was housing at £76bn and second was leisure, at £62bn. Consumers spent £51bn on food.

Consumers' top 10

1. Housing
2. Leisure services
3. Food (household)
4. Motoring
5. Household goods
6. Alcohol
7. Clothing and footwear
8. Leisure goods
9. Financial services
10. Personal goods and services

SOCIETY

State fails to narrow poverty gap

Government spending on the welfare state has done little to offset the growing divide between rich and poor. Only just over half of all expenditure, on health, education, housing subsidies and social services, benefits the poorer half of the population, according to a study published today by the Joseph Rowntree Foundation.

The research into spending since 1979 finds that the value of the "social wage" - the income in kind received from welfare services - was only 20 per cent higher for the poorest fifth of the population than the richest fifth, when differences in age and sex are taken into account.

The limited degree of redistribution achieved by the welfare state is explained by the fact that although expenditure on housing and social services is heavily weighted towards the poor, spending on higher education benefits the most prosperous.

Even allowing for the social wage, the gap between the richest and poorest households grew markedly wider between 1979 and 1993. The income of the poorest fifth, in cash and kind, grew by up to 13 per cent, compared with a 60 per cent increase for the richest households.

The Changing Distribution of the Social Wage, Summary available from the Joseph Rowntree Foundation, 01904 639241 or www.jrf.org.uk.

Diane Coyle

DIET

8 million Britons eat their greens

The number of vegetarians in Britain is growing by more than 5,000 every week, according to a survey. It also claims that more than 8 million people in Britain have cut red meat completely from their diet.

The study was conducted for Realeat, a food company which caters for vegetarians. It concludes that 13,000 people a week are removing red meat from their dinner tables, while more than half of the population have reduced the amount they consume.

For more than one in five of those questioned, the BSE scare was the primary reason for dietary change. According to the research, three million people are now vegetarians, with the proportion of male vegetarians at its highest since the annual survey began in 1984.

James Mellor

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Sports sponsorship goes up in smoke

Dobson sets out plans to cut tobacco use

Jeremy Laurence
Health Editor

Cigarette company logos such as the Marlboro cowboy are to disappear from cricket grounds, snooker halls and motor racing circuits under plans announced yesterday to ban tobacco sponsorship of sport.

Frank Dobson, the Secretary of State for Health, declared his determination to include sport sponsorship in a forthcoming Bill to outlaw tobacco advertising after a week of uncertainty over whether it could be incorporated in the ban.

Ministers were known to be concerned about the impact on the sports affected by the loss of hundreds of millions of pounds of sponsorship. But Mr Dobson said the impact on public health was greater.

"We recognise that some sports, like some smokers, are heavily dependent on tobacco sponsorship. We will therefore give them time and help to reduce their dependency on the weed."

A White Paper setting out the Government's plans to cut smoking would be published together with a draft Bill to ban tobacco advertising. The White Paper would explore every possible lever of government, including "changes in the law, taxation, education and publicity to reduce tobacco consumption".

Mr Dobson told the Royal College of Nursing's annual conference in Harrogate, that plans to reduce smoking would be the centrepiece of the Government's commitment to improve the nation's health.

He said the Government had no

wish to harm the sports affected but they had to face reality. He was less charitable to the tobacco industry which, he said, was unique in killing 120,000 of its own customers every year. "So it has to recruit 120,000 new smokers to its ranks each year."

It was unclear how international sporting events in the UK or shown on television here would be affected, but Mr Dobson said later: "My understanding is that if a car is running at the grand prix here it won't be carrying tobacco advertising."

The move surprised medical organisations who had not expected it so soon. The Cancer Research Campaign said: "This is a day we never thought we would see. We are really pleased the new government has honoured its pledge so early on."

Dobson health pledge, page 10



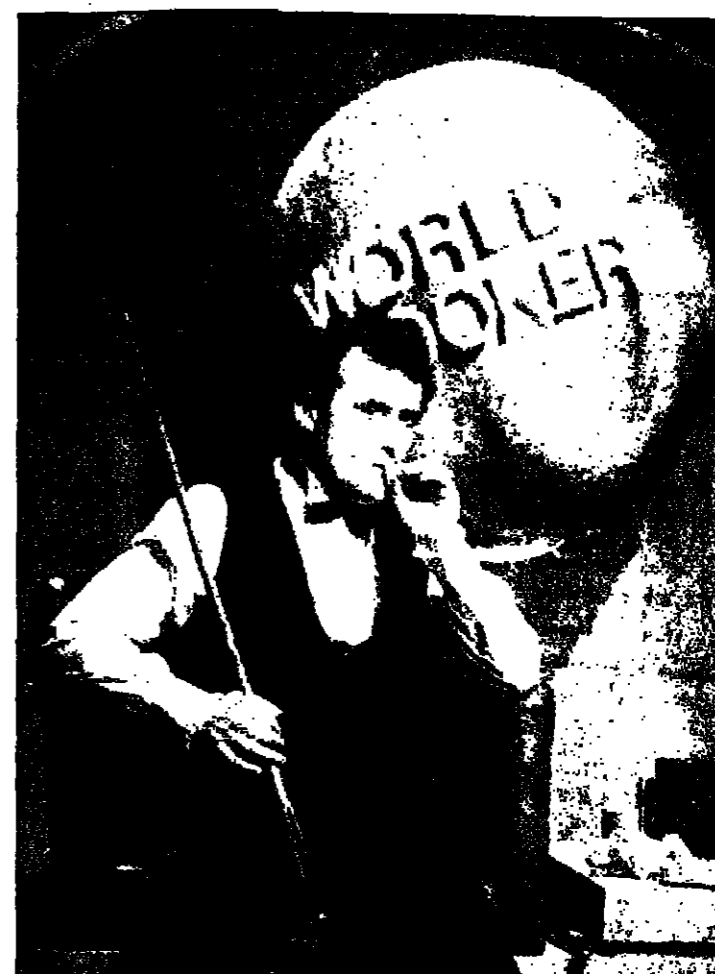
Eddie Irvine in his Marlboro-sponsored Ferrari, one of the Formula One teams which will be hit by the planned ban. Photograph: Allsport



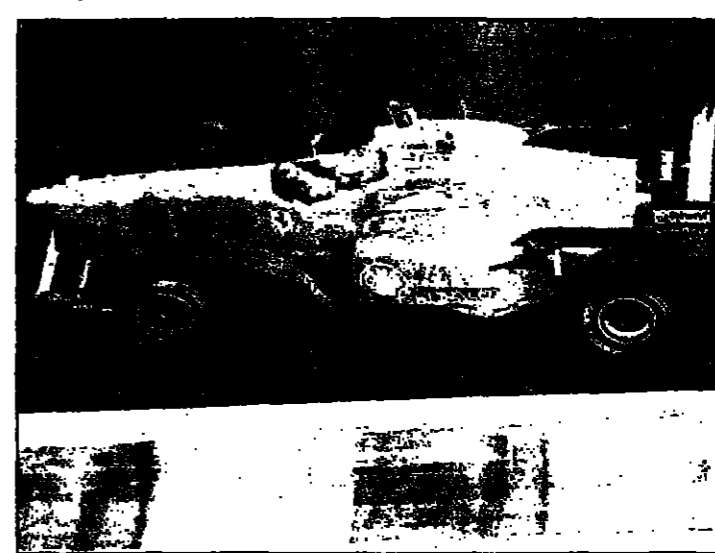
The golfer Nick Faldo at the Alfred Dunhill Masters in Ball in 1994. Photograph: Mike Cooper/Allsport



The Silk Cut yachting team. The brand's parent, Gallaher, also sponsors through Benson & Hedges. Photograph: Empics



Jimmy White takes a drag at the Embassy World Snooker Championships in Sheffield. Photograph: Mike Cooper/Allsport



The Marlboro logos on Michael Schumacher's Ferrari had to be covered up at last year's French Grand Prix. Photograph: Empics

Firms braced for stampede from the losing teams

Paul McCann,
Andy Farrell and
Mike Rowbottom

Companies are bracing themselves for a rush of sports administrators knocking on their doors looking for new sponsorship cash to replace the £9m a year spent by tobacco companies.

There are currently 34 sports events sponsored by tobacco companies in the United Kingdom and countless individual team sponsorships in all manner of sports. The deals range from the £250,000 a year that the little-known Ice Hockey Superleague receives from Benson & Hedges to the £20m international deal between Rothmans and the Williams Formula One team.

Tobacco money is estimated to be worth up to £200m to Formula One, whose organising body is planning to float on the stock exchange later this year.

Benson & Hedges' links with their chosen events go back many years. The B&H Masters, in snooker, began in 1975; the B&H Cup in cricket started in 1972; there has been sponsorship of golf - the B&H International - since 1970.

More recently they have provided the B&H Cup in Ice

Six of the best deals

Sponsor and event	Value
Embassy: Snooker, World Championships	£54m
Rothmans: Motorsport, Williams team	£20m
West Brand: Motorsport, McLaren team	£12m
Benson and Hedges: Motorsport, Jordan team	£10m
Benson and Hedges: Snooker, B&H Masters	£4m
Silk Cut: Rugby League, Challenge Cup	£2.1m

Deals as of May 1997

Hockey (1992) and, through Silk Cut, another branch of its parent company Gallaher, there has been sponsorship of the Rugby League Challenge Cup since 1985.

Industries such as financial services, mobile phones and computing are being talked about as the ones to replace the tobacco money. However, as one sponsorship executive said: "It is dangerous to believe there is a queue of people waiting to come in and replace tobacco."

Barrie Gill, of the sponsorship agency CSS, said: "When Silk Cut pulled out of Hickstead this year horse jumping lost an event."

John Lord, chief executive of the Ice Hockey Superleague, predicted a "mad scramble for money". He said: "Most sports are constantly looking for new sources of revenue. Now every-

one will be redoubling their efforts all at the same time."

The sponsorship industry believes the timing of a sponsorship ban will be crucial. Some sports, such as cricket, have already cut their dependency on tobacco funding while snooker and darts remain heavily dependent.

The snooker manager Ian Doyle said yesterday: "If the ban was to take effect immediately it would be our worst nightmare."

The tobacco industry's sponsorship has been held back to within the rate of inflation since a voluntary agreement with the government in 1972. The agreement prevents the industry sponsoring sports that attract a young following, such as football, or what is known in the industry as "puff" sports such as athletics, swimming or cycling.

The voluntary agreement also limits the use of cigarette names and logos on Formula One cars in the British Grand Prix, although they can use the sponsor's colours.

Tobacco sponsorship of sport dates back to the early 1960s when snooker and motor racing were sponsored by the industry because it could not advertise on television.

Mike Scott, director of the Institute of Sports Sponsorship, said: "Tobacco has been instrumental in the development of sports that did not have public exposure or even their own national tournament. Sport sponsorship is now more developed in the UK than in the rest of Europe, but it will still be hard for minority sports to replace the lost money."

The Tobacco Manufacturers' Association has requested a meeting with Frank Dobson, but has yet to receive a reply.

A spokesman said: "We believe there is no justification for any erosion of our ability to compete in the market place. Our sponsorships increase the reputation of our companies, and also increase brand awareness. But there is no convincing evidence that banning sponsorship and advertising has any effect."

Private nurseries to get state aid

Fran Abrams
Political Correspondent

Private nurseries and playgroups will receive state funding to offer places to four-year-olds under plans to be announced this week.

The Government hopes the proposals will help it to fulfil its promise to abolish the Tories' nursery voucher scheme. Although details of the plan are still being finalised, it is bound to cause anger in some local authorities which had hoped to regain control of the funding and planning of pre-school education. It will, however, be welcomed by the private and voluntary sectors.

Since 1 April, parents of all four-year-olds have been entitled to vouchers worth £1,100 per year for pre-school education for their children, which they could spend in a state or private school or in a playgroup. Labour has always argued that the scheme was



too bureaucratic and that it should be abolished. Ministers want to see the programme replaced by September, but they face a tight schedule to put their own plans into place by then. The scheme will remain in place until March 1998 in Wales and August 1998 in Scotland, but this is unlikely to happen in England.

Each area will be expected to

draw up plans showing how it can provide a place for every four-year-old, though it is thought unlikely that this will be left entirely up to local authorities. Instead, government guidance could insist that private schools and playgroups be given places on nursery forums which would bid for funds for each area. This, it is hoped, would ensure that they featured strongly in the proposals.

One of the problems the Government faces is preventing authorities from using their greater muscle to win the lion's share of funding for themselves. Under the voucher scheme, local authority schools were accused of cramming four-year-olds into their reception classes to get the extra cash which followed them.

Conversely, authorities which have always funded nursery education fear they could lose out because a larger share of the cash could go to those with very few under-fives in education.

Labour's nursery education policy, published last November, said that public-private partnerships would be set up to ensure the planning and provision of nursery places. However, the extent to which the private and voluntary sectors will be involved has never before been made clear. Party sources had talked about using partnerships with business to help build new nursery centres, but had not specified that a Labour government would fund places for children in private schools.

Last night a party source said ministers hoped to build on suggestions made by its nursery education task force last year.

Margaret Lochrie, administrator of the Pre-School Learning Alliance, formerly known as the playgroups' association, welcomed the news that its members would not automatically lose the funding they had gained from vouchers, but said there was "a certain amount of worry" about the changes.



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INVESTORS IN PEOPLE

Hotels



Are museums turning Britain into a heritage Disneyland?

The growth in the number of museums may have led to too many institutions, and too heavy a reliance on Disney-style theme park displays, an audience of leading museum figures was told last night.

Delivering a lecture at the British Museum, Sir Nicholas Goodison, chairman of the National Art Collections Fund, which helps museums and gal-

eries in the UK to buy works of art, made a provocative plea for museums to merge and take a more businesslike attitude to their affairs.

In the annual AW Franks lecture, named after one of the museum's most eminent scholars, Sir Nicholas questioned whether the study of costs and efficiency had been rigorous enough, and said it was "very unlikely" that all the problems of museums were due to inadequate funding.

He asked: "Is there room for further savings through the pooling of service costs between museums either nationally or locally? Is collecting effort being duplicated? Should certain collections be amalgamated or transferred from one museum to another? Here in the capital ... it strikes me that there is room for some rationalisation in the field of works on paper."

He added: "Is there scope for amalgamation, which implies closure, of some museums which cannot operate economically or which cannot achieve their objectives on their own? Commerce is well accustomed to such solutions."



In 1973 there were 950 museums in Britain. By 1988 this figure had risen to 2,500. There is no accurate figure for the number in existence now, but 2,500 is still thought to be a reliable estimate, according to the Museums Association.

In his speech, Sir Nicholas also made an impassioned attack on "interpretative, theme-park, play-time displays" in museums obscuring the objects in the collection. "Of course museums provide fun days out for

the whole family," he said, "but in doing so, they must not lose sight of their unique characteristic, their collections ... The important thing is developing an appreciation of 'objects' and the difference between the real thing and replicas.

"It is not a role of the museum to ape Madame Tussaud's or Disneyland. The object is at the hub of a museum's purpose ... Works of art are often uncomfortable experiences, often mysterious. They should be allowed

He added how much he had enjoyed a recent visit to Keats's House in Hampstead where, he said "everyone imagines the nightingale in the garden and where thankfully you are not invited to press a button and hear some interactive machine making warbling noises and reciting 'My heart aches and a drowsy numbness pains my sense As though of hemlock I had drunk'."

Pregnant prisoner tells of her ordeal in chains

The controversy over the shackling of pregnant women came back to haunt the Home Office yesterday as Annette Walker, the former Holloway prisoner whose treatment sparked a political row, began a legal action for injury and distress.

A summons issued by Ms Walker, 31, at the Central London County Court explains that she is seeking basic, aggravated and exemplary, or punitive, damages of up to £50,000 for the pain, distress, humiliation, anxiety and injury caused by the use of "unnecessary, excessive and unlawful force".

The policy of shackling pregnant women with handcuffs and chains, introduced during Derek Lewis's tenure as director-general of the Prison Service, was revealed when *Channel 4 News* showed secretly-filmed footage of Ms Walker in chains at the Whittington Hospital in Archway, north London.

The particulars of claim say Ms Walker, who was six months pregnant when sentenced to two years' imprisonment for theft, was shackled by handcuffs with a chain between them when taken from Holloway to the Whittington in December 1995 after experiencing abdominal pains.

While prison officers allegedly agreed to remove the cuffs during an abdominal examination, the officers remained in the room. The chains were re-applied afterwards and she was chained to a bed in a 12-bed ward. The next morning

she took breakfast in the dining room chained to an officer in the view of other patients.

On a second visit to the hospital Ms Walker claims that officers applied the handcuffs very tightly and told her to "shut up" when she asked for them to be loosened. On arrival, she remained chained to two female officers who watched while an internal examination was conducted.

Ms Walker claims that one of the officers told her to "shut up" and said words to the effect of "we've all had babies before - it's nothing". An officer also allegedly called her a "sneaky bitch" for trying to get a visit from her mother while she was in hospital.

She was also chained throughout a third visit. Ms Walker gave birth to her baby on her fourth visit to hospital. She says she was chained to a bed in a private room prior to the birth and when she went out of the room to have a cigarette she was shackled to an officer.

Ms Swacker's baby daughter, Tierney, was delivered on 2 January 1996 after a 12-hour labour. "At almost the moment of the birth, the officers' shift changed and a male officer came into the labour room while the plaintiff was covered in blood and the placenta was being delivered," the particulars say.

Ms Walker will rely on the testimony of Dr Anne Bird, a consultant psychiatrist, to prove that she developed post traumatic stress disorder within a month of the birth.

Ms Walker claims the actions of officers were calculated to "humiliate, degrade and distress" her, entitling her to aggravated damages. In addition, they were "arbitrary, oppressive and unconstitutional", entitling her to exemplary damages.

Visions of a nation's eccentricity

In the north of Scotland, the Wick Museum is responsible for one of the oddest displays in the United Kingdom. It exhibits jet-sam washed up on the beach.

In Gloucester, Robert Opie's Museum of Advertising and Packaging contains a quarter of a million items, from corn-flake boxes to advertising labels.

Those two homes of scholarship are still going strong. Sadly, the Bakelite Museum – a collection of old telephones and toilet seats made out of bakelite – is no longer. The living tribute to early plastic, which sculptor Patrick Cook kept in his flat at Peckham, south London, has closed. The owners of the block

Britain thrives on independent museums, reflections of their owners' obsessions. They come and go with such speed that trying to collate reliable statistics becomes impossible.

Simon Tait, author of *Palaces of Discovery - The Changing World Of Britain's Museums*, says: "Some of it is wonderful stuff, some of it is instantly forgettable; but these museums add to Britain's eccentricity."

Where small can be wacky, big is often now interactive. The Natural History Museum in London teaches its young and not-so-young visitors about geology through its new Earth Galleries, opened last year. Visitors can take an escalator

through the centre of the earth, witness a "live" earthquake monitoring station, step inside the Earthquake Experience and walk beneath a volcano.

The Earth Galleries are one of the latest and most high-profile examples of "interactive experiences". A search through the latest Museums and Galleries 1997 guide produced by the national tourist boards shows that the Natural History Museum is not alone. The Im-

ty Museum is not alone. The Imperial War Museum gives the sounds and smells of the Blitz; the Jorvik Viking Centre in York an electronic car ride through a "time tunnel" on to a Viking street; Saibston Discovery Park in Leicestershire allows children to walk through

a tornado; Portsmouth Historic Dockyard gives children hands-on naval experience of tying knots, using pulleys and signalling in semaphore. At the Science Museum in London a working radio station enables older children to present and record their own programmes. And at Eureka!, in Halifax, an exhibit called Me and My Body allows children to walk inside a giant mouth and wobble a loose tooth.

At the Natural History Museum, Giles Clark, who designed the *Earth Galleries* Exhibition, says: "I don't use interactive exhibits for fun, although that's a bonus. I use them because they're the most effective educational tool."

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Virgin train fares rise 15%

Randeep Ramesh
Transport Correspondent

A private train company run by Richard Branson's Virgin group has raised the prices of some of its cheap "walk-on" fares by six times the rate of inflation.

The 15 per cent rise by Virgin CrossCountry on rides from England to Scotland using Super Saver tickets, which can be used on any day except Fridays and summer Saturdays, will, according to pressure group Save Our Railways, mean the end of affordable, turn-up-and-go train travel.

Scheduled to be introduced in June, the new prices will mean that some tickets which do not allow passengers to travel on a Friday will be more expensive than tickets which do. A spokesman for CrossCountry said: "Some fares are rising by 15 per cent. But many other ticket prices are coming down."

Mr Branson, who took over the running of £100m CrossCountry services last year, has to increase ticket sales by 10 per cent in order to make the line profitable. His business plan is based around airline-style marketing. This means that a number of low-cost tickets have been heavily promoted by the company - but all require passengers to book their journey at least a day early and to specify outbound and return trains.

"The price of tickets which you have to book in advance are falling by 10 per cent. There will always be people who want an open-type ticket and they will have to pay a premium," said a spokesman.

Barry Doe, the transport consultant who uncovered the new pricing regime, claimed that the "days of just taking the first train that turned up are numbered."

The increases are being brought in on all "anglo-Scottish" fares controlled by CrossCountry. This will affect cheap returns to Scotland from Wales, the South West and most of the Midlands and the North West.



Fragrant bloom: The violinist Vanessa Mae sitting in the EMI music garden at the Chelsea Flower Show, which opens today Photograph: David Rose

Sawar to sue over bribery allegation

Stephen Goodwin

Mohammad Sawar, the Labour MP for Glasgow Govan, yesterday instructed solicitors to issue a writ against the *News of the World* as he fought to shake off allegations of bribery and election irregularities.

Standing on the steps of his solicitors' office in central Glasgow, Mr Sawar, Britain's first Muslim MP, said the newspaper charges against him were "totally false".

It was claimed that Mr Sawar paid £5,000 to the Independent Labour candidate, Badar Islam,

in "compensation" for going easy in his campaign in order not to split Govan's substantial Asian vote.

The normally flamboyant Mr Islam, who polled 319 votes, was not to be found yesterday. As stories of the former professional cricketer's record of debts, gambling problems and business failures emerged, he was said to have left the country.

Mr Islam's absence from Govan was entirely in keeping with the bizarre drama that has been unfolding ever since Mr Sawar, a millionaire businessman, announced his inten-

tion to stand for the Glasgow seat more than three years ago.

Mr Sawar welcomed the police investigation called for on Sunday by Donald Dewar, Secretary of State for Scotland, but said it would be wrong of him to comment further until the police inquiry was completed.

"I have no intention of allowing these events to interfere with my duty to represent my constituents," he said. The MP spent yesterday morning in talks with shop stewards and management at the Kvaerner shipyard. He was, he said, more concerned with securing Clyde-

side jobs than "giving these type of stories any time".

Strathclyde Police confirmed they had added the bribery investigation to on-going inquiries into an extraordinary rush of late entries to Govan's electoral roll - more than 200 of the new voters were Asians in the ward represented by Mr Sawar on Glasgow city council.

Police officers yesterday interviewed Peter Paton, an Unofficial Labour candidate on 1 May and long-standing critic of alleged electoral practices in Govan. Mr Paton and Jamil Abassi, who stood as an Inde-

pendent Conservative, both claim to have been offered four-figure inducements by Sawar supporters.

"The politics of the Indian sub-continent is being grafted on to the streets of Govan and it is totally repugnant to me," said Mr Paton. "We have to restore democracy in Govan and not out the wrong-doers in our midst."

If Mr Paton gets his wish and either the police or Labour Party inquiries lead to a re-run of the ballot, the ultimate beneficiaries could be the Scottish Nationalist Party, which twice won the old Govan seat.

Saudis try British nurses for murder

Jojo Moyes

Two British nurses accused of murdering a colleague at a Saudi Arabian hospital appeared at the opening session of their trial yesterday, handcuffed and with shackles on their ankles.

Deborah Parry, from Alton in Cheshire, and Lucille McLauchlan, from Dundee, arrived in a police van at Khobar Supreme Court at noon dressed in traditional black Saudi robes. Escorted by their lawyer, Salah al-Hejailan, and flanked by a dozen policemen, the two women, hampered by the shackles, walked slowly into the courthouse through a side door.

Ms McLauchlan appeared healthy and relaxed, but Ms Parry looked drawn as they entered the courthouse to appear before a three-judge tribunal. Also present was the British Consul, General William Patey. Police prevented the Press from entering the courthouse.

Ms Parry, 41, and Ms McLauchlan, 31, face the death penalty, possibly by public beheading, if convicted of killing 55-year-old Australian nurse Yvonne Gilford. They have been in detention for nearly six months.

Ms Gilford's body was found last December in her room at the King Fahd Military Medical Complex in the eastern Saudi town of Dhahran, where the three worked as nurses. Saudi authorities said the nurse had been stabbed four times, beaten and suffocated.

Lawyers from the Interna-

tional Law Firm, which is representing the victim's family, attended the hearing, which lasted for two hours but made no comment. In an atmosphere described by one legal source as "increasingly difficult", British lawyers are understood to have been instructed by the Foreign Office not to speak publicly about the case.

The women have been jailed in the nearby city of Dammam since their arrest. If convicted they could face public beheading by the sword, the first time Western women would have been executed in the conservative Islamic kingdom.

Under Islamic law, which is enforced in Saudi Arabia, the victim's family has the right to demand the death penalty or accept blood money. Last month, Frank Gilford, the brother of the victim, turned down an appeal from the nurses' lawyers to waive the death penalty if the nurses are convicted.

A total of 39 people have been executed in Saudi Arabia so far this year, with six beheaded yesterday alone for crimes ranging from theft to drug smuggling.

Saudi police said the nurses had confessed to the murder and that the confessions had been filed with Saudi judges. But Mr Hejailan's firm said they did so only because they were told it would mean they would not face prosecution and could go home. He said the women had withdrawn their confessions, and one of them retraced a statement that she had had a lesbian relationship with the victim.

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Jews massacred in Holocaust test-run

John Crossland

British codebreakers at the Bletchley Park cipher school cracked Nazi messages revealing the slaughter of hundreds of thousands of Jews a year before the Nazis officially launched the Final Solution.

Sixty two top secret decrypts of wireless traffic of the SS Ordnungspolizei, or non-party uniformed police, which revealed the "unspeakable activities" of Hitler's Einsatzgruppen or "action squads" in occupied Russia, were released yesterday at the Public Record Office New.

The documents call into question how much Churchill's government knew about the Nazi atrocities. But Dr John Fox, lecturer in Holocaust studies at Jews' College in London, whose discovery of parallel files in the American archives forced the British disclosure, said yesterday: "These decrypts could only have been seen by a select few in the Cabinet. A lower-ranking Foreign Office official Roger Allen wrote on 25 January 1942: 'I suppose no one will ever be able to establish the facts about the German occupation of Russia.'"

"This proves that the Foreign Office was not privy to the facts and in fact the decrypts were kept in a drawer until much later and were used as background evidence in preparing charges against alleged war criminals in the 1980s."

In addition, the release intriguingly highlights the revelation by Sir Harry Hinsley in his official history of wartime intelligence that the Ordnungspolizei suddenly adopted a more difficult hand cipher in September 1941, temporarily baffling Bletchley Park.

On 13 September 1941, the day after Bletchley decrypted the news that the Nazi murder squads had bragged about "one of their greatest successes in liquidating 1,548 Jews", SS general Kurt Daluege - in charge of ethnic cleansing in the aftermath of Operation Barbarossa - signalled his commanding officers: "The danger of decryptions by the enemy of

Transcripts raise doubts over how much Churchill knew of Nazi atrocities in the early years of the war

wireless messages is great. For this reason only such matters are to be transmitted by wireless which can be considered open, but no information which contains state secrets or calls for a specially secret treatment. In this category fall exact figures of executions." The euphemism for mass executions was to be "action according to the usages of war".

Within days Bletchley announced "although an entirely new form of cipher was inaugurated for the Russian messages continuity in the breaking of the previous keys made it possible to break into the new ones too and whereas up till 12 September only three had been broken, since then only one has remained unbroken".

The codebreaker wrote: "In Kremenshug on 30 October 1941 'the action' was on a scale exceeding even the previous brutality of the German police." The local commander, Jeckeln, gave permission for the massacre of local Jews "and we may suppose that the butchery went on all night".

Planning for the systematic murder of Jews, which Himmler regarded as a test run for the Holocaust, began as soon as the attack was launched on Russia. The SS high command was even prepared to accept inflated figures for victims as long as they thought they were Jews. On 4 August, two months after Barbarossa, an SS report stated "the operations of the SS Reserve Cavalry Brigade" continues with a further 3,600 executed so that the number carried out by them amounts to 7,819; a total exceeding the 30,000 mark."

The codebreaker commented: "The tone of the message suggests that ... a definite decrease in the total population of Russia would be welcomed in high quarters and that the leaders of the three sectors [of the Einsatzgruppen] stand somewhat in competition with each other on their 'scores'."

Among the papers' other revelations is the fact that a train load of 1,296 Hungarian Jews was dispatched to Auschwitz in August 1943 for experiments into malaria, under the control of Himmler's Special Commissioner for combating animal pests.

There were also details of the plunder of Russian art treasures by squads controlled by the Foreign Minister Joachim Ribbentrop. The greatest prizes were reserved "for the use of the higher Nazi bosses in their villas; the lesser bosses had to be content with rare books and costly vases."

The discovery last week of a painting from the Amber Room of the Tsar's summer palace outside St Petersburg, is highlighted by a report that the palaces there had been robbed of their artistic treasures.



Records released at Kew reveal that 1,296 Jews were sent to Auschwitz, pictured after liberation in 1945, for malaria experiments. Photograph: AFP

Call for inquiry into care homes

Louise Jury

Residential care home owners are calling for an independent government inquiry into the Buckinghamshire abuse scandal which ended with a string of convictions last week.

Angela Rowe, the director of two homes in Stoke Poges, Buckinghamshire, was convicted of ill-treating mentally disabled residents. Two other former members of staff, Lorraine Field and Desmond Tully, were also found guilty of ill-treatment.

The Association for Residential Care, which represents home owners, said yesterday that lessons must be learned for the future.

James Churchill, its chief executive, said: "The regulatory framework failed vulnerable residents over a long period of time. All agencies must learn from this case."

The association intends to

raise the matter at a meeting planned with Paul Boateng, the minister with responsibilities for the mentally disabled.

Among the questions it wants answered is why the ill-treatment, which included mental, physical and sexual abuse, was allowed to continue for 10 years before social services ordered a full report.

Although Buckinghamshire social services has said its lawyers advised against closing the homes after the abuse was discovered, the association believes de-registration should have been carried out. It repeated calls for a new national inspectorate, independent of social services departments.

Mr Churchill said: "This case proves that locally controlled inspectorates are not up to the task of protecting vulnerable people in such cases."

"How can we have any confidence that it is not happening somewhere else?"

DAILY POEM

Pillow Talk

By Linda France

I am the keeper of your dreams,
that white horizon, the cut cord.

I am cradle, cot and playground,
a fairy-tale of wolves and wishes.

A third of your life you'll give to me.

Come, lie naked between my sheets.

Aren't I an expert in sweat and secrets,
your body's lost-and-found,

its best three-letter word?
I'll be roses and daisies forever.

And ever. Rest in me.

This second selection from Linda France's new collection *Storyville* comes from its "Home Movies" section, about "the life in art and the art in life". *Storyville* is published by Bloodaxe Books, £6.95.

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Howard
a second

Colin Brown

Colin Brown is a member of the House of Commons and is a member of the Conservative Party. He is a member of the House of Commons and is a member of the Conservative Party. He is a member of the House of Commons and is a member of the Conservative Party.

ST. JOSEPH'S HOSPITAL

ST. JOSEPH'S HOSPITAL is a hospital in the city of London. It is a hospital in the city of London. It is a hospital in the city of London.

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Charm offensive: Gerry Adams and Martin McGuinness holding a press conference outside the Houses of Parliament yesterday

Photograph: Brian Harris

Sinn Fein chiefs bask in glory of being MPs for the day

Colin Brown
Chief Political Correspondent

As a day out, Gerry Adams yesterday could recommend his visit to the House of Commons. "Thank you," he told Philip Wright, the assistant Serjeant-at-Arms, who acted as his minder, "it is the most restful period I've had for 25 years."

Having refused to swear the oath of allegiance to the Queen, Mr Adams and Martin McGuinness could not take their seats in the Commons, or draw their salaries as MPs.

However, they were given their run of the building to enjoy the facilities for 24 hours, before the Speaker's ruling comes into effect denying them the privileges of MPs in the Palace of Westminster.

They were shown the Chamber by Tony Benn, the veteran Labour MP, and the seats they might have occupied had they been prepared to say the oath, even with their fingers crossed, like Tony Banks.

As MPs for the day, the Sinn Féin president and his chief negotiator were each issued with House of Commons photo-passes, bearing the distinctive three green stripes accorded to Members, which entitled them to roam at will, without the inconvenience of having to go through the anti-terrorist bomb check at the entrance to the Commons.

They did not take advantage of the House of Commons bar for a quick drink, and thought it wise to avoid the MPs' rifle range, but they availed themselves of the subsidised canteen. Sitting on the MPs' side of a partition in the oak-lined Strangers' Cafeteria, Mr Adams and Mr McGuinness sat down to a lunch of fried haddock at £2.25 with parmentier potatoes (35p) and swede (35p) and extra helpings

of potatoes for 35p. The Sinn Féin president splashed out on a small bottle of Côtes du Rhône 1995 red wine for £1.85, while Mr McGuinness had a can of Coke for 35p.

After 40 minutes, they went out for a stroll on the terrace of the House of Commons, overlooking the Thames. They spent 15 minutes in deep conversation, only breaking off to ask when the ITN film crew would turn up to film them from Westminster Bridge.

A pack of news reporters followed their every step, including waiting outside the gents. When he re-emerged, Mr Adams was asked for an autograph by one of the constituents in a party following the Tory MP Piers Merchant.

"How can you speak to him?" said one of her friends. "How dare he say hello to me," said another.

Mr Adams continued on his charm offensive with the fourth press conference of the day on the steps of the Commons. "We didn't come here for concessions. We came here for our rights, and to assert our rights. We are pleased with what we have achieved today."

They had to raise their voices to be heard above a Bible-puncher with a bowler hat, who bellowed out readings from the Old Testament. It was not Ian Paisley, but the Unionist leader was clearly there in spirit.

Mr Adams today will be responding in detail to the keynote speech on Northern Ireland by Tony Blair. Mr McGuinness, meanwhile, is preparing to lead a Sinn Féin delegation to meet government officials. But their immediate target is the local elections in Northern Ireland tomorrow, which provided the real backdrop for the day trip to the Commons.

Tory leadership: Ex-minister delivers fatal blow to former Home Secretary

Widdecombe: The man who misled House without lying

Kim Sengupta and
Fran Abrams

Michael Howard's hopes of leading the Conservative Party were scuppered last night when his former deputy accused him in Parliament of "semantic prestidigitation". In a scathing performance heard by MPs largely in fascinated silence, Ann Widdecombe delivered blow after blow to the credibility of the former home secretary.

Mr Howard sat apparently impassive on the Opposition front bench as his former minister of state ended both his political career and her own. "My Right Honourable and Learned Friend has an exquisite way with words," she said, accusing him of displaying immense skill in misleading the House without ever actually telling an outright lie. She then went on to



Widdecombe: Relentless

add that Mr Howard "has a problem in that his first reaction to attack is denial and refuge in semantic prestidigitation". The only heckling from government benches came as Miss

Widdecombe admitted she should have resigned over the sacking of the former director of the Prison Service, Derek Lewis. Mr Howard should have been open with his fellow MPs about his disagreement with Mr Lewis in 1995 over the suspension of Parkhurst Prison, she claimed.

"He could not do so, of course, because he had dug a hole for himself over policy and operations, and he would never have had to dig such a hole had he been prepared to keep the director-general in place," she said. Mr Howard's actions had cost the taxpayer quarter of a million pounds.

Miss Widdecombe praised the achievements of Mr Lewis, which had transformed the Prison Service from a desperate situation. "It was for those reasons that ministers, very senior

civil servants, the Prisons Board and its non-executives urgently advised the then home secretary that he should not sack Mr Lewis. It was for those reasons that two out of four non-executives resigned in protest."

Mr Howard had drawn a distinction between policy and operations at the Prison Service to save himself from the firing line following the Learmont Report, Miss Widdecombe told the House. As a result, she claimed, he misled the House over whether he threatened to instruct Mr Lewis at a meeting over the fate of the Governor of Parkhurst, John Marriott.

She posed these crucial and potentially damaging questions to Mr Howard: "Why did he say he had not personally told Mr Lewis that Mr Marriott should be suspended immediately, when he had?"

"... Why did he say that he was giving the House a full account when he knows very well that important issues which were being discussed in the House were in fact omitted from the minutes which he laid before them as a full account?"

"Will he now, in order to clear any doubt at all that may exist in the minds of Honourable Members, ask the current Home Secretary to release the full transcript of the meeting?"

Mr Howard, who promised to

reply in detail to the allegations later on in yesterday's debate on home-affairs aspects of the Queen's Speech, was backed by another of his former ministers, David Maclean, who is backing Mr Howard's leadership bid.

It had been a great honour to work with Mr Howard over a five-year period in two different departments, he said. "He is a man of integrity who gets my full respect not because he was my boss but because I believe he is a decent man and deserves it."

Howard: I'll submit to a second election contest

Colin Brown
Chief Political Correspondent

Michael Howard last night tried to shore up his collapsing leadership challenge by letting it be known he would subject himself to a second election if elected as the leader of the Conservative Party by the 164 Tory MPs.

Friends said the former home secretary said he would put himself up for a fresh election if new rules were introduced for a one-member one-vote franchise of the whole party. "He is personally attracted to one-member one vote. That is why he would be prepared to re-submit himself for election were a new set of rules agreed," said a member of the Howard camp.

Mr Howard's campaign was derailed by Ann Widdecombe's allegations, said one right-wing Tory MP. "He has been completely derailed. He won't get any more support now. The interesting thing is how many promised votes he loses."

But there appeared to be unstoppable support growing last night for a widening of the franchise after the current election is over. Edward Leigh, a



Howard: Bid for support

right-wing MP, said he was standing for the chairmanship of the 1922 Committee with a pledge to support one-member one-vote selection of the leader in future.

There was also growing support for delaying the leadership

election by a couple of weeks to enable the chairman of Tory associations to have a say in the choice of the new leader, pending more radical changes.

Sir Norman Fowler, a former party chairman, is backing a move by Robin Hodgson, chairman of the voluntary arm of the party, the National Union, to enable the chairman of the associations to carry 20 per cent of the votes in the election. The offer by Tom King to stand as a caretaker leader of the Conservative Party was rejected by John Major and the camps surrounding the main candidates for the leadership. "He wants a new leader as soon as possible," said one of Mr Major's friends.

The former defence secretary put himself forward to allow a wider cross-section of the party to have a vote in the selection of the leader. But the idea flopped at Westminster. "It

would be the worst of all worlds," said one senior member of the Hague camp. "And it would not stop the campaigning."

A Howard supporter said: "There will have to be a deal. If we go ahead on June 3 it will look rude to the party associations. We don't want to be accused of riding roughshod over the views of the party."

There is growing support for the leadership rules to be changed to allow one-member one-vote democracy within 18 months, but in return the MPs are demanding a central membership list, and central control over the selection of candidates by the constituencies, to stop "a repeat of Tilton", where Neil Hamilton refused to stand down over sleaze allegations and lost to Martin Bell. "You can still have coffee mornings, but we need to modernise the party," said the Howard backer.

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SAVINGS

Dobson pledges fairness on health

Jeremy Laurance
Health Editor

A drive to end inequalities in health and reintroduce fairness to a system that had lost sight of it will be at the centre of the Government's plan for improving the NHS, Frank Dobson, the Secretary of State for Health, said yesterday.

New hospitals, more clinical staff and a focus on the health problems of the disadvantaged were among eight pledges Mr Dobson made, adding: "If we succeed, we will be able to come up with the sound bite 'Vote Labour, live longer'."

However, giving his first public speech as secretary of state, Mr Dobson made it clear that delivering on Labour's pledge to dismantle the internal market would take years rather than months, to allow experiments with alternative arrangements to be tried and evaluated.

Ending "two-tierism" and the other aspects of the internal market would require a "two-stage rocket" with some immediate measures - common hospital waiting lists for patients of all GPs, both fund-holders and non-fund-holders, is one possibility - while others would take longer.

"I am sure most people in the NHS would want us to get on with it quickly, but I am also sure they would like us to get it right," Mr Dobson said.

Speaking to the Royal College of Nursing's annual conference in Harrogate, Mr Dobson announced an end to the unpopular system of local pay under which staff in each NHS trust negotiated a local addition to the national pay award.

The system, introduced three years ago and intended to make trusts sensitive to local market forces, was suspended last year

because of criticism that it was unfair and unwieldy.

Local pay had failed, Mr Dobson said. To applause, he added: "It has proved unpopular and divisive. It has dissipated goodwill and negotiations have consumed effort vastly disproportionate to the minuscule sums involved."

Renewing his warning that there would be no large pay increases, he said work would begin immediately on devising a new national pay system "with appropriate local flexibility". But he refused to spell out what this might mean. The RCN said supplements such as London weighting and those already paid in certain shortage specialties could be extended.

In a speech that was long on symbolism but short on strategy - and rapturously received by his 1,500-strong audience - Mr Dobson declared war on the "gross inequalities in health" associated with poverty, unemployment and homelessness, a personal commitment he is known to share with Sir Kenneth Calman, the Government's Chief Medical Officer.

Every government department would be charged with contributing to improving the nation's health, he said. The release of proceeds from council house sales to build new homes, proposals to get 250,000 young people off the dole and to introduce a national minimum wage were the first steps. "We are committed to a root and branch attack on the things that systematically make our people ill," he said.

Evoking the spirit of an Aneurin Bevan, the NHS's founder, he said that the health service was important not only for the care it provided but also for the principle of fairness it embodied.



Style gurus: Bruce Oldfield watches as supermodel Sarah Thomas and Norwich players Keith O'Neill (left) and Darren Eadie try out the new kit Photograph: Andrew Burman

Canaries to get designer plumage

Claire Garner

It may be the only promotion they get for a few years, but at least Norwich City players can relax in the knowledge that they have been elevated to the Premier League of haute couture.

For the Canaries' trademark green and yellow strip has been redesigned by none other than Bruce Oldfield, who has come up with a new, "clutter-free" look for next season.

"It was a question of toning the strip down, taking away rather than adding things,"

said Oldfield at the strip's launch in London yesterday. "It really is stream-lined. Everything is smaller. The shirts are smaller, the arms are smaller. They just looked like a sack of potatoes before."

The strip, which includes the logo of the First Division club's new sponsor, Colman's, was modelled by the players, including Darren Eadie, who learnt on Friday that he had been called up to the England squad.

The players did their best to look stylish as they kicked about a football on the catwalk, but it was Sarah Thomas,

the 17-year-old supermodel, who showed them how it was done. Ms Thomas, who has taken over from Helena Christensen in the latest Cover Girl cosmetics campaign, agreed to fly back from Australia to model the designer creation in exchange for two season tickets for herself and her father, Peter.

Ms Thomas, a longstanding Canaries fan, believes that Oldfield's strip could catch on. "People will want these as a fashion statement," she said. Asked if she thought the colour combination would be in vogue this season, she

replied optimistically: "You never know."

Anyone who wants to acquire an Oldfield label for their wardrobe can buy the new shirt in August, when it goes on general sale.

The designer kit came about after Delta Smith, the television chef who became director of Norwich City last year, approached Oldfield.

At the end of last season morale at the club was "terrible", she said. But now, she added, "We've got the right ingredients". She added: "Today is an important day in the history of Norwich City. We have

a fabulous new strip and a new sponsor in Colman's, a company with a special link with the city of Norwich and one of the classic English food brands."

Oldfield, whose celebrity clients include Melanie Griffith, Charlotte Rampling, Joanna Lumley, Jerry Hall and Gemma Khan, is bracing himself for the sight of his mud-stained creations after a match. "I was a bit worried about that," he admitted.

Asked if he was a Norwich City fan, Oldfield joked: "I am now. I was a Middlesbrough fan, but after Saturday..."



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Jospin defies the odds to give Chirac an unexpected battle

John Lichfield
Tulle

Five minutes before Lionel Jospin is due to appear, the local Socialist Party organiser is growing increasingly anxious.

Has no one bothered to turn up for the rally because of the long holiday weekend? Has the nationwide electoral sulk reduced the attendance to embarrassing poor levels? Not a bit of it. His concern is that the Salles des Fôtes might collapse under the weight of people pushing into the old building to see the Socialist Party leader.

"It can't possibly take it," he mutters. "It'll be a disaster, a disaster."

This is Tulle, in Corrèze, President Chirac's home département, but still they come pouring in on a sunny bank-holiday weekend to see "Lionel". They are mostly middle aged, or elderly, and mostly well-dressed; this is by no means a working class audience. On the other hand, according to local party officials, it is by no means a gathering of activists either.

With less than week to the first round of the French parliamentary elections, Lionel Jospin, even here in the heart of enemy territory, is beginning to pull in the crowds.

The publication of opinion polls has been banned since the weekend: the final polls suggested that the loose alliance of the left (Socialists and Communists combined) and the governing coalition of centre-right parties are running neck and neck, with around 38 to 40 per cent of the vote each. A couple of polls even put the left slightly ahead. The presumption of all the pollsters is that transfers from the far right National Front (which has 13 to 15 per cent) will hand the election to the present government by about 40 seats at the second round on 1 June.

But the electoral arithmetic of turn-out, survival of candidates into the second round, and transfers of votes, is impossibly complex. As Mr Jospin tells the audience in Tulle, no one can be sure of the outcome. "There is still everything to play for... I cannot tell you who will win, but the pollsters cannot tell you either."



Crowd-puller: The French Socialist Party leader Lionel Jospin taking time out for a picnic on the campaign trail in Avignon

Photograph: Brian Harris

This was a snap election which Mr Jospin - unprepared, with a muddled programme, and over-reliant on the Communists - was supposed to have had little chance of winning. The state of the final polls is already a considerable victory for the Socialist Party leader, and a rejection, whatever the final result, of President Chirac's gamble in calling the election nine months early.

If the polls in the final days continue to drift leftwards (they are still taken, although not published in France), the President may yet be forced to send his unpopular Prime Minister,

Alain Juppé, to the political guillotine to appease the crowds.

In the meantime, despite the nationwide lack of interest in the holiday-interrupted election campaign, Mr Jospin has once again proved himself an exclusively effective campaigner. Just like the presidential election in 1995, he has defied predictions of his early demise.

Mr Jospin is likeable rather than charismatic; drily precise, almost literary, rather than barnstorming eloquent. But he manages to convey passion, warmth and wit. By contrast, even the the government's sup-

porters despair of the cold and limp performances of the Prime Minister, Mr Juppé. The centre-right has been badly missing the passion and energy of President Chirac, whose elevated office prevents him from making more than the occasional sortie on to the battlefield.

In Tulle, Mr Jospin amuses the uncomfortably squashed audience by chiding them for coming to see him. The President, in his wisdom, had ordained a short, early poll, interrupted with holiday weekends, he said, so that the French people need not bother their heads with politics. It was very

ungrateful and obstinate of them to turn out for a politician, and especially a man of the left.

However, the Socialist Party leader makes little attempt to defend his own programme: a curious mixture of commitment to markets, Europe and state-

reform and reversion to statist solutions (a mandatory 35-hour working week; creating 700,000 jobs for the young, half of them in the public sector). Under pressure from the Communists and radical left, Mr Jospin has moved to a position of EMU-scepticism, promising, in effect, to renegotiate the terms of the single currency.

If Mr Jospin is the next French Prime Minister - a possibility not yet to be excluded - would he swing to the right again, to accommodate his cohabitation with President Chirac?

Or would the leftward tug of the Communists and radicals helping to give him a parliamentary majority, leave France in a strange left-right, Euro-positive-Euro-sceptical twilight?

Mr Jospin is honest, intelligent, and likes to do what he promises to do. As Prime Minister, he would find it difficult to be all three.

significant shorts

Afghan killings weaken alliance against Taliban

Troops rebelling against a warlord in northern Afghanistan ambushed and killed a provincial governor and 15 of his guards. An uprising against the warlord Rashid Dostum could weaken the alliance fighting the Taliban religious army, which swept into the Afghan capital, Kabul, in September and now controls roughly two-thirds of Afghanistan. Maulvi Abdul Qadus, governor of Samangan province, and his men were ambushed by troops loyal to Malik Pahlawan, the leader of the rebellion against Mr Dostum. AP - Islamabad

Nine die in Albanian violence

Nine people were killed in the previous 24 hours across Albania and tension remained high in the southern port of Vlorë. Albania's near-anarchy has claimed more than 700 lives, many accidentally, since state arsenals were looted during unrest in February and March. Two people were killed by masked gunmen at a café in Vlorë and two passengers in a passing bus were hurt. Tension was high in the town, as one of the victims was the deputy of a local gang leader and a revenge attack was feared. Frightened Vlorë residents have refused to send children to school although two armoured vehicles of the Italian-led multinational force, which is protecting aid supplies, were patrolling the town's central boulevard. Reuters - Vlorë

War-crime suspect on rampage

A man suspected of bank robberies and war crimes beat up a news photographer while Serbia's chief of secret police watched, the victim said. Predrag Mitic, of the Dnevni Telegraph newspaper, said he was attacked on Sunday while taking pictures of Zeljko Raznatovic, alias Arkan. Raznatovic and secret police chief Jovica Stanić were attending a memorial for another senior police official, Radovan Stojicic, who was assassinated last month. AP - Belgrade

Kurds counter-attack

Kurdish guerrillas launched surprise attacks in south-east Turkey as thousands of Turkish troops chased Kurdish rebels in the Iraqi mountains. The military, which also kept up an offensive inside Turkey, has killed 17 Kurdish guerrillas over the past four days in the south-west. Anatolia news agency said. The rebels briefly blocked a main road linking Diyarbakir to the Iraqi border and burned two oil tankers. AP - Diyarbakir

Comrade back in Mongolia

The leader of a former headline Communist Party won Mongolia's presidential election, according to preliminary official results, giving a setback to forces that brought democracy to the country seven years ago. The victory was seen as a backlash against rapid free-market reforms that the governing coalition is using to dismantle the nation's centralised Communist economy. The reforms have sharply raised unemployment and inflation. AP - Ulan Bator

Anzac donkey gets his gong

A donkey named Murphy was posthumously decorated for bravery, 82 years after it carried wounded Australian soldiers to safety at Gallipoli. In a ceremony conducted by the Australian Deputy Prime Minister, Tim Fischer, an army donkey mascot called Simpson accepted the Purple Cross Award on Murphy's behalf. Stretcher-bearer John Kirkpatrick and his donkeys, the most famous of which was Murphy, became war heroes for carrying wounded soldiers to safety under Turkish fire at Gallipoli in 1915. Reuters - Canberra

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No plain sailing in desert island dispute

The Spratlys are unimpressive, but these tiny specks of rock could spark an Asian war

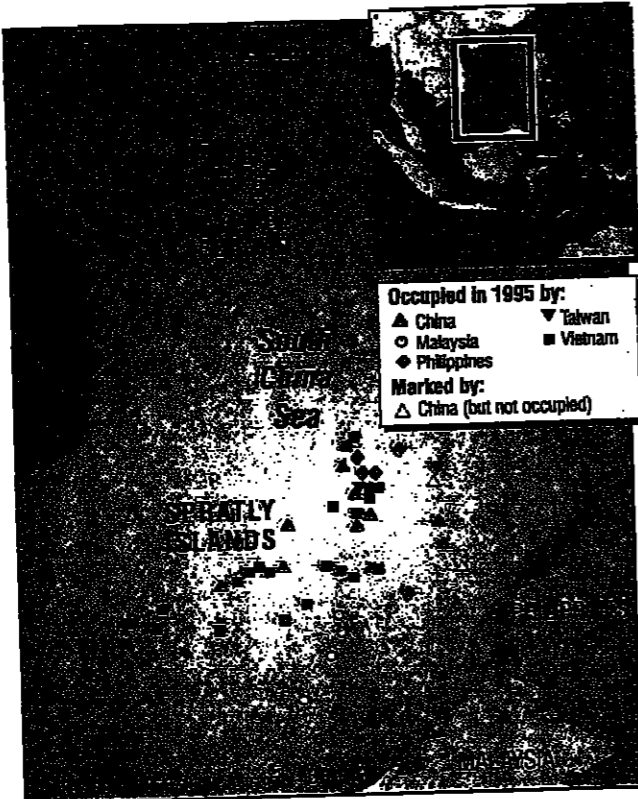
Richard Lloyd Parry
On board HMS *Illustrious*,
South China Sea

Spratly Island is scarcely a dot on the map. This and the other islands of the Spratly group are too low to make much of an impression, even on radar: the Royal Navy aircraft carrier HMS *Illustrious*, presently on the Asian leg of an eight-month long series of exercises, will steer carefully clear of them, marked on the charts as Dangerous Ground and speckled with the names of long-dead Englishmen.

Up close the islands are hardly more impressive than the dots on the charts on the bridge of the *Illustrious* - a collection of 230 shoals, spits and reefs spread over 180,000 square kilometres of the South China Sea.

In photographs, the Spratlys resemble the archetypal cartoon desert-island-with-palm-tree, with occasional huts on stilts built as shelters for passing fishermen.

But the impression of isolated obscurity is misleading. In a region that has more than its



share of disputed islands, the Spratlys are the most disputed of all, a stubborn source of tension which is looking more and more like a serious obstacle to peace in the region.

Unlike the bilateral dis-

agreement over the Kurile Islands (Russia and Japan) or the trilateral one over the Senkaku/Diaoyu group (Japan, China and Taiwan), the Spratly problem is a six-way dispute.

Nineteenth-century British

sailors may have named the islands, but the dispute over their ownership is an exclusively Asian one. China, Taiwan and Vietnam claim the entire group; Brunei, Malaysia and the Philippines claim parts of it.

There are some 40 military garrisons on the islands, more than half of them Vietnamese, and all the claimants, apart from Brunei, have at least one airstrip. Several times a year, the simmering diplomatic tension between the rivals' huddles up into a physical stand-off: only last week, Peking accused Manila of violating Chinese sovereignty after Filipino fishermen hoisted a flag over the shoal, and a group of congressmen sailed there and asserted Philippine sovereignty.

In several ways the dispute looks like a model for the new kind of conflict which is likely to plague East Asia over the next few decades. Unlike Asia's Cold War flashpoints, there is no ideological dimension to the dispute. Apart from the garrisons, the Spratlys have no native population to be won over to one political system or another. The struggle now being waged is for control, not of people, but of resources in the fastest growing, energy-poorest region in the world.

A quarter of the world's shipping passes through this area every year - the Spratlys' position in the middle of the South China Sea thus gives the islands an obvious strategic importance. The narrow sea lanes of south-east Asia link the established markets of Europe with the fastest growing economies in the world. Seventy per cent of oil consumed by Japan, Korea, China and Taiwan is tankered through here from the Middle East, a proportion likely to increase to 95 per cent by 2010.

The secret hope of Spratly claimants is that the islands contain large reserves of oil, or at least of natural gas. Surveys so far have been limited and inconclusive. But the islands certainly have ample living resources. Half the world's fish supplies are caught in Asia, but growing demand and dwindling stocks are increasing competition between nations. The area around the Spratlys is rich in fish, an important consideration

for countries like China and Indonesia, with growing populations, but limited arable land.

Nor is this just a local problem. South-east Asia's rising status as the fastest economic growth area of the 21st century makes the area's peace and security an international concern, and does much to explain the presence of the *Illustrious*.

"We're all one of the largest trading nations in the world," said a senior officer on the ship, "and this is undoubtedly the area of the greatest economic growth. We'll be passing close enough that all the countries interested in the islands will know we're there, and we'll be making a statement passing through." Diplomatic efforts to solve

the problem have made little progress, but, militarily, much is happening. The navies of south-east Asia have in the past limited themselves to coastal patrol work. All that is quickly changing.

Last week, a couple of Thai admirals visited HMS *Illustrious* for tips on how to use their own new aircraft carrier, an acqui-

sition which the Chinese are also believed to be planning. Singapore now has a submarine.

General Arnulfo Acendera, the Philippines military chief, was asked yesterday whether there was a risk of an armed confrontation over the islands.

"The possibility is there," he said, adding, bluntly, "That's why it's called a flashpoint."

Naval gazing: A helicopter hovering over the aircraft carrier HMS *Illustrious*

Photograph: Brynn Sharkey



Territorial rights: A Chinese flag flying above huts built by the People's Republic of China to display sovereignty over Mischief Reef, one of the disputed Spratly Islands. Photograph: AP

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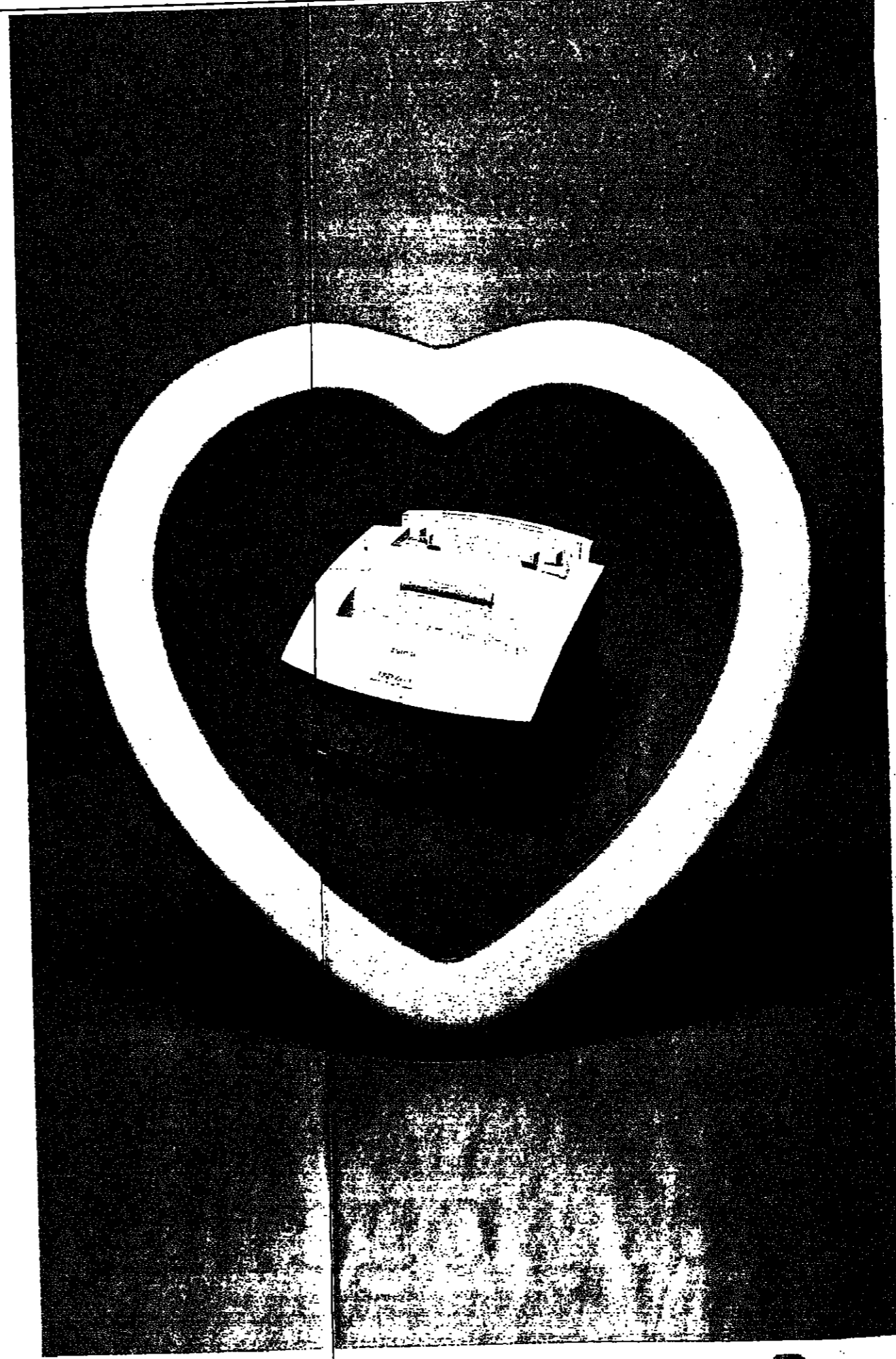
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Rising star: The flag of the Republic of Congo, as Zaire is now officially known, in the London embassy window

Photograph: Andrew Buurman

Nerves fray as Kabila gets down to business at last

Mary Braid
Kinshasa

There were more than a few nervous suits yesterday when Congo-Zaire's new political order started its first full day in Kinshasa by "inviting" the business community to a meeting, at just a few hours' notice.

It was impossible to get rich in the old Zaire without participating in the corrupt, bribe-ridden system. The advisers to Zaire's new leader, Laurence Kabila, know that. So did the hundreds of businessmen who dutifully stood in line yesterday to be searched for weapons before meeting their new political masters.

The fattest cats and the biggest thieves went with Mr Mobutu, who fled Kinshasa on Friday, just one day before the capital fell to Mr Kabila's rebel forces. But Jean-Pierre Bemba, owner of a cellular telephone company, argues that the country's entire entrepreneurial class was tied up with corruption.

The businessmen who remain are afraid of being victimised. Mr Bemba, who supports the new government's



Fallen idol: A child defacing a painting of Mobutu Sese Seko in the deposed leader's looted house

Photograph: AP

attempts to recover billions of dollars stolen from Zaire by the former president and his cronies, suggests that Mr Kabila let bygones be bygones.

"He should not come with the idea of revenge," said Mr Bemba. "He has to accept working with anybody, even if they worked with the old order. In Zaire you could not get anything done or any paper approved unless you gave money to the administration." If they were to arrest everyone in-

involved in corruption, he pointed out, the jails would be full. In Mr Bemba's case, there is a particularly strong association with the exiled Mr Mobutu. His sister is married to one of the former president's sons. But Mr Bemba has still chosen to stay.

For the moment, the greatest concern of the business community is the possibility of full-scale nationalisation. At a press conference yesterday Deo Bugera, the general secretary to Mr Kabila's Alliance, was short

on detail about plans for the resuscitation of the country's economy.

But Mr Kabila, a former Marxist whose professed conversion to the free market took place only recently, has already nationalised the Siza rail network run by the South Africans and Belgians. Other business leaders now fear a similar fate, saying socialist or Communist solutions would be a disaster for Congo-Zaire, a country the size of Western Europe.

A recent document, which purported to come from Mr Kabila's Alliance, outlined plans that would force foreign investors to take Congolese partners, require 15 per cent deposit up front for proposed investment, and a new social obligation for business to fund schools and hospitals. It seems self-evident that Mr Kabila will have to work, whatever the distrust, with existing businesses for the good of Congo-Zaire.

The city's existing political parties fear they will be frozen from power by the new order, despite promises of a democratic election. Mr Kabila has an army but little political organisation. He is under pressure at

home and abroad to bring political opposition groups into his promised Government for National Salvation. The problem is that Mr Kabila feels that the city's political classes, like the business community, had sold out to Mr Mobutu.

Whether Mr Kabila, a lifelong revolutionary who was never tainted by the Mobutu regime, will turn out to be a pragmatist or purist, is still unclear. Most observers believe that only a pragmatist has a chance of breathing life into a country rich in minerals and natural resources but devoid of infrastructure—bankrupt and reduced to ruins by the felon who ruled for 32 years.

Kissing has to stop as EU and Blair strike their deals

Since the moment it was elected, Britain's new government has been furiously flirting with Europe. New Labour ministers have been trekking to the Continent, making lavish promises of warm relations as they hugged, patted and kissed.

Now, suddenly, the period of courtship is coming to a close, and the time to sign up to a contract is here. Today Robin Cook, the Foreign Secretary (who has hugged more than most) meets his European partners for serious negotiation in The Hague.

On Friday Tony Blair will attend a mini-summit in the Dutch town of Noordwijk. At both meetings discussions will shift gear, as proclamations of good intent give way to detailed examination of treaty texts.

The texts have been produced during the Inter-Governmental Conference (IGC) on European reform—the negotiations to restructure the European Union's institutions.

The results of the IGC will be written into the Treaty of Amsterdam, to be signed next month at the Amsterdam summit. Even the most enthusiastic

watcher of EU politics could be forgiven for losing track of progress in the IGC, which has been grinding on for 18 months.

Britain's new government has itself shown little inclination to examine the details of arcane issues such as vote-weighting, the "third pillar" (including immigration and judicial co-operation) and flexibility, preferring to stick with broad themes.

But the Amsterdam summit is now four weeks away, and the deals struck on the new texts will define Britain's "new relations" with Europe for some time to come.

At the IGC launch in Turin in March 1995, heads of government pledged that the reforms they were wanted were to be far-reaching, in order to reshape the Union so it could work effectively as a union of 27, after enlargement to the east.

Such arguments fuelled fears in Britain of a new march to federalism and the Conservative government set about stalling the negotiations, arguing

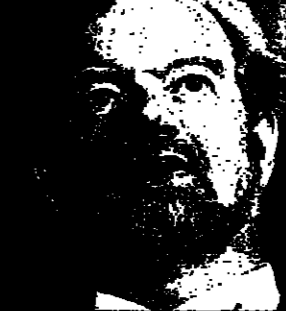
Friday's summit marks the end of the honeymoon with New Labour, writes Sarah Helm in Brussels

that the IGC should be viewed more as a 5,000-mile service than a complete overhaul.

Today the new Labour government takes essentially the same view as the Conservatives of what the ambitions of the IGC should be.

When the new ministers talk of a "fresh start", they are not advocating massive new powers for the EU institutions.

Rather, they are advocating a more co-operative approach between Britain and Europe, in the hope that, if the veto can be taken out of the relationship, Britain's modest views of how far integration should go will be seen to strike a chord with other member-states. Labour was



Cook faces baptism of fire in talks today at The Hague

furiously when Jacques Santer, the European Commission president, set out his own integrationist agenda in the middle of the British election campaign. Mr Blair has since made his displeasure with Mr Santer felt by refusing to meet him in the past fortnight, and offering to see him only in the sidelines of the Friday summit.

But whatever Mr Santer may still be saying, the new government's hopes that the ambition of Amsterdam can be tailored

down now look likely to be satisfied. Since Turin, a failure to agree in many areas, combined with a growing awareness that the European public has no appetite for massive new integration, has forced many leaders to trim their more lofty ambitions. Britain will now find it has allies when it resists on certain key integrationist points.

For example, the new government only wants a limited extension of qualified majority voting (QMV), which would remove national vetoes. Many other member-states are reluctant to extend QMV in many areas and have failed to agree a list for action. Germany objects to ending unanimity over environment policy, while Spain objects to ending it for decisions on culture policy.

The much-discussed concept of "flexibility" was hailed as a new mechanism which would allow the Union to integrate faster by giving some groups of states the right to pool powers at a different pace from others. Labour has been wary of flexibility, and today the other 14 are also at odds over how it should work.

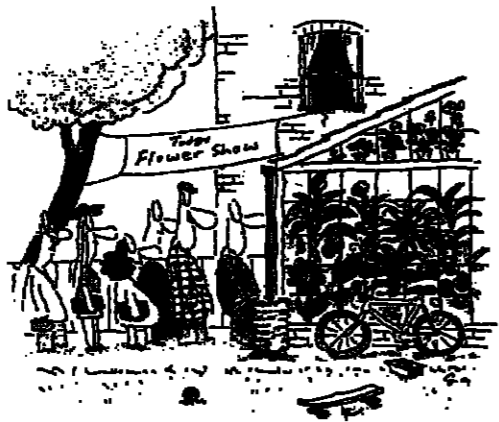
The most ambitious programme of integration centres on justice and immigration policy. Labour, like the Conservatives, has insisted on maintaining its frontier controls and opposes giving EU institutions greater powers over justice and immigration.

Most member-states began the IGC discussions by saying that more pooling powers in these areas was vital if the Union was to respond to the new challenges of international crime and asylum-seeking.

Eighteen months later, however, there is confusion about how far the "third pillar" will be further integrated. Britain looks certain to secure its opt-out on the issue of frontier controls.

The negotiations in the run-up to Amsterdam are certain to be tough.

But it is likely that time Mr Blair will next month sign an Amsterdam Treaty which does more resemble a 5,000-mile service than a giant step towards new integration.



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Cook flies to US to rebuild 'special' bond

Mary Dejevsky
Washington

Britain's new Foreign Secretary, Robin Cook, paid a flying visit to Washington yesterday, designed to re-cement the "special relationship" after a tetchy five years and convince the US administration that New Labour is a reliable partner in Nato.

Mr Cook's visit, arranged at short notice to precede President Clinton's stopover in London in 10 days' time, included meetings with a top line-up of officials. As protocol required, he met his US opposite number, Madeleine Albright. But he also met the defence secretary, William Cohen, and Mr Clinton's National Security Adviser, Sandy Berger.

The meetings reflected what one commentator described as the "enthusiastic interest" of the US administration in the new Government's aim of enhancing its standing in Europe.

Of the themes broached during the visit, the durability of the Nato alliance was uppermost, with Europe a close second. The only specific agreement to emerge from the meetings was a declaration on co-ordinating preparations for a conference to determine the fate of gold looted by Nazi Germany and still held in Western banks.

Ireland, which Mr Clinton has put at the top of his agenda for the new British Government, was discussed yesterday, as was Britain's hope that the United States might use whatever influence it has with China to keep a weather eye out for

Hong Kong, after the handover.

On Ireland, Mr Cook took pains to correct any idea that Sinn Féin would be included in peace talks, regardless of whether it agreed to a ceasefire. Mr Blair's decision to reopen contacts, Mr Cook said, was designed to ensure that Sinn Féin "understood" the Government's position: Sinn Féin could participate in peace talks only if it agreed to "a credible ceasefire".

On Hong Kong, Mr Cook echoed remarks by Governor Chris Patten, saying that "whatever pressure the US might want to exert on China, for whatever reason", Britain was keen that it should not withdraw most favoured nation (MFN) status from China. This, he said, would only jeopardise the Hong Kong economy.

Concern about the fulfilment of the Dayton accords for peace in the former Yugoslavia was also expressed during the talks. Mr Cook emphasised that progress had not been as great as had been hoped, but he also said there was no change to Britain's "one out, all out" policy for eventual withdrawal from Bosnia.

In a commentary published in the *Washington Post* on the eve of his visit, Mr Cook affirmed Britain's commitment to Nato, and he repeated that yesterday, describing the US as "one of our strongest and oldest allies".

On Europe, he said that Britain as "a leading player in Europe" would be "a more useful partner" to the US than one that was "drifting into being a marginalised offshore island".

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Hong Kong handover

Chinese rule threatens the legal system

Stephen Vines
Hong Kong

The opening of Hong Kong's legal year with the parade of judges in their long wigs, the barristers in their shorter wigs and the swish of robes, is almost certain to become a thing of the past. Abandoning this kind of anachronism may well be no bad thing, but there is a widespread uncertainty about whether the symbolic changes will be overshadowed by substantive changes to the legal system.

Elise Leung, who will be the Secretary for Justice in the Special Administrative Region of Hong Kong government, insists that the basic tenets of an independent judiciary and the rule of law will be preserved, albeit with changes having to be made. "Just give us a chance to prove it works," she requests.

The trouble is that many legal practitioners already have serious misgivings. Margaret Ng, a legislator representing the legal profession, has emerged as one of the most articulate doubters. "I think the system is very vulnerable," she says.

China is finding it difficult to persuade critics that the system will retain its integrity, and the list of pressure points is growing. First, problems are mounting over the translation and origination of laws in Chinese, as opposed to English, a process started by the current administration.

Miss Ng has no quarrel with the notion that a community which is overwhelmingly Chinese should be served by laws in the language of the people, but believes that the rush to introduce the Chinese language is roaring away without acknowledging the problems. Moreover, it is undermining the

common law system which is supposed to be maintained under the new order. "It would be wonderful to teach the common law to speak Chinese," she says. But concepts of the common law do not readily accommodate themselves to expression in Chinese.

Miss Leung freely admits the use of Chinese is highly problematic. As a lawyer, even she had to refer to English texts to make sure of meanings and interpretations which were not clear in her mother tongue. "We don't want to sacrifice the quality of justice to achieve bi-lingualism," she says.

Under the new system, China's National People's Con-

"We don't want to sacrifice the quality of justice to achieve bi-lingualism"

gress (NPC) has the power of interpreting the Basic Law. Hong Kong's new mini-constitution. Miss Leung says bluntly that "this is a very difficult concept in the common law, because under the common law only the courts have the power of interpretation". In China, interpretation is the responsibility of political bodies.

She believes that the guarantee of a high degree of autonomy in Hong Kong ensures that Chinese bodies will play no more than a minimal role in the territory's legal system, but says "I'm not saying it's going to be an easy thing" to

reconcile the two systems. Part of the problem is that it remains unclear which aspects of interpretation will reside with the NPC. It is assumed that China will intervene only on issues relating to national security. This may well include political challenges to the government.

There's a very dangerous suggestion around town these days," says Miss Ng, "that as far as commercial disputes are concerned the old system will remain, and only in political and criminal matters you will have less protection. The two are deeply connected. Once privilege creeps in, the rule of law is at an end."

In a speech to businessmen last October Chris Patten, the Governor of Hong Kong, said "the rule of law is not an optional extra. It is what makes Hong Kong different, it is what makes Hong Kong successful".

Already, politics appears to be creeping in. Some eyebrows were raised by the appointment of Miss Leung, a stalwart supporter of the Peking government and member of the National People's Congress. "I can see how the public reacts to it," she says. Further suspicions were aired when Tung Chee Hwa, the new Chief Executive, decided to drop two members of the commission which appoints judges. One was Sir Joseph Hwang, a benefactor of pro-democracy causes; the other was Eleanor Ling, an executive of the Jardines group, the British-controlled company most disliked by China.

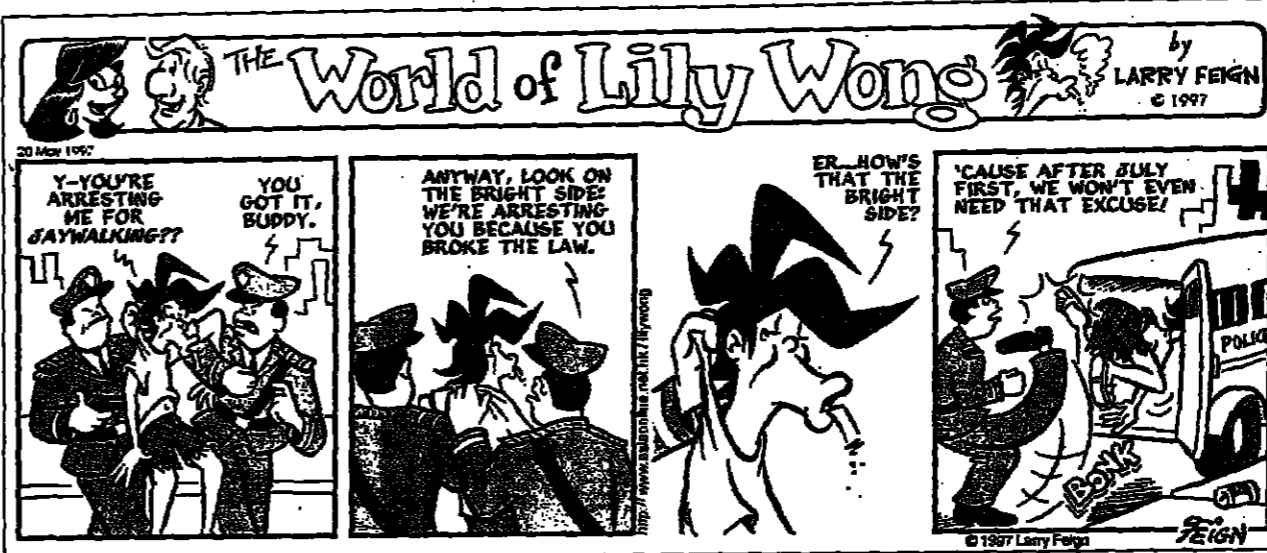
The new commission's first job will be to appoint the Chief Justice. Many say that if the high court judge Benjamin Liu is appointed, the politicisation of the judiciary will be there for all to see. Justice Liu is a member of

one of Hong Kong's most stalwart pro-China families. "If judges are chosen for political correctness," warns Miss Ng, "we will get a bunch of judges valued not for their legal qualifications but for political considerations." Although the current legal system is described by some as a paragon virtue, it is not free of critics. Both the judiciary and the government's scandal-prone legal department have been embroiled in controversy.

Last week the new legal system was given an unexpected boost when the United States Supreme Court turned down an appeal by a Hong Kong fugitive who had hitherto been that the new order could not guarantee a fair trial.



In the balance: A fish merchant weighs his goods. While the political future is uncertain, continued prosperity seems assured Photograph: Tom Pilstor



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Hong Kong

handover

Celebrations scale the peak of patriotism

No one can accuse the Chinese of lack of ingenuity in their celebrations in the run-up to the return of Hong Kong. In Peking's Xicheng district, for instance, some 15,000 locals recently turned up for the "Welcome the Return of Hong Kong - All Citizens' Exercise Day". Mass callisthenics, skipping and tug-of-war were the focus of the patriotic activities.

A group of Chinese university students have set their sights higher. On 18 June they will start climbing the north face of the 6,179-metre Jade Pearl mountain in Qinghai province. Hong Kong student mountaineers will scale the south side. And the two teams will meet on the top on the morning of 1 July, the day Hong Kong reverts to Chinese sovereignty.

Students at the Jantai University for the Disabled in Shandong province have spent the past 10 months obtaining the signatures of all disabled mainland Chinese, including those abroad, and these have been bound into an album called "Anthology of Aspiration at the return of Hong Kong". There were some 190,000 signatures in to-

Climbing a mountain is just one way to show how much you care, writes **Teresa Poole** in Peking

tal, and this week the album was handed over to government officials to be sent to Hong Kong.

Thus is the mainland gripped by heady anticipation. And the country expects every citizen to show his or her patriotic fervour in some manner. This month, to mark the "50 days to go" point, 1,100 youth league members released 500 doves into the Peking sky.

Rather more self-restrained, nearly 100 of Peking's literary figures gathered together to recite poems, sing, and paint "to express their happiness at the upcoming return of Hong Kong to the embrace of the motherland". The Communist Party secretary of the China Writers' Association hailed a China that will "sweep away 100 years' humiliation".

The party is pushing patriotism for all its worth, in the hope that some of the population's very real pleasure over the return of Hong

Kong may start to rub off on the Chinese government. President Jiang Zemin entitled his most recent major speech, "On Strengthening Education in Patriotism". "Furious hatred of foreign invaders, boundless disdain for the nation's scoundrels who sought power and wealth by betraying the country, and great reverence for noble-minded patriots have become our precious national character," he declared.

Sometimes it takes a bit of healthy competition to educate the masses, and the handover has prompted a flurry of quizzes. Telephone the number 2666-1997 in Peking and you will get through to the Peking Evening News "Knowledge competition" which will test your understanding of Hong Kong affairs. The winners of the twice-weekly quiz will be rewarded with a set of Hong Kong stamps, and if you are correct in all 20 sets of questions, you stand a chance of a free

visit to Hong Kong. A sample question: In what year did Hong Kong forbid what the newspaper called "coolie ships" from entering harbour? 1817 or 1873? (Answer: 1873.)

But it is in the official media that Hong Kong-related propaganda has reached saturation levels. Peking Cable Channel 1 is running 50 episodes on the Basic Law, China's mini-constitution, under which it will rule Hong Kong. China Central Television's main national channel is screening a six-episode series, *Hong Kong's Irresistible*, with titles including *History's Choice*, *Way of Return*, and *Popular Confidence*.

The Peking Youth Daily is running a four-part full-page spread on the history of Hong Kong, followed by a test paper for readers to check they have assimilated the information. An editorial this week ordered: "For every Chinese, we should all look back on modern history which was full of unbearable humiliation. Looking back is the best way for us to gain strength and confidence today. Modern Chinese history tells the truth: whoever is backward will be beaten."

From kukri to kitchen sink

Former Gurkha soldiers in Hong Kong have been forced to swap their deadly kukri knives for kitchen knives as they resort to domestic jobs to supplement the meagre pensions received for service in the British Army.

The Nepalese Alien Association in Hong Kong estimates that more than 200 former soldiers are now working in the colony as domestic servants; either as cooks, gardeners or drivers.

Whereas retired British servicemen receive at least £450 per month in pension payments, the former Gurkha soldiers are given just over £20.

The Army insists that this is sufficient for a reasonable existence in Nepal, combined with the lump sum

The Gurkhas' toughest mission is now economic survival. **Stephen Vines** reports

retirement pay of £4,000, and likely savings the soldiers would have made during their service.

However, Gurkhas who have returned from Hong Kong to Nepal have had difficulty making ends meet and have sought jobs back in the colony. Most have more or less landed on their feet by signing up as security guards. This is viewed as a reasonably-paid job.

Jardine Securicor, the main employer of former Gurkhas, is cutting back its Nepali staff from 720 to 600 men because many of the big projects they were guarding no longer require their services.

Some have found employment as bodyguards to local tycoons. One very prominent businessman, whose son was kidnapped for ransom, is said to have 20 former Gurkha soldiers on his payroll.

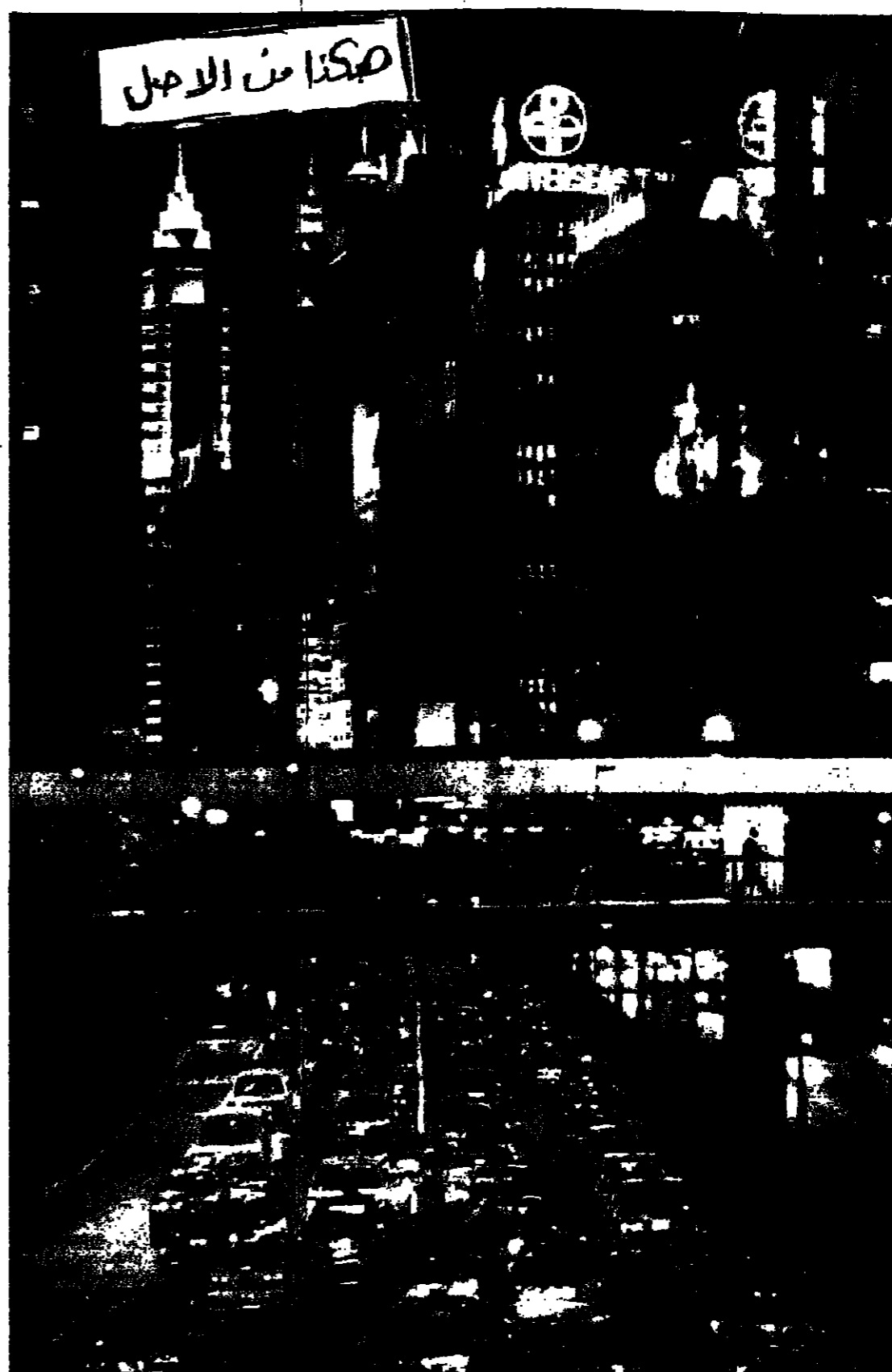
The Gurkhas in Hong Kong used to form the backbone of border patrols deployed to keep out illegal immigrants from China. The job was arduous and anti-social, as most patrols were out and about in the hours of darkness. Never the less, Hong Kong was a popular posting for the Nepali soldiers.

Having observed the wealth of Hong Kong from their barracks, as

many as 4,000 have returned to try and secure a small slice of it for themselves. They trade on a good reputation for honesty and hard work, but this has proved insufficient to supply adequate employment.

Gurkha groups have long campaigned for equal pay with their British counterparts. Last February, the few remaining Nepali soldiers in the British forces scored a major victory by breaking historical precedent and gaining parity in remuneration. However, pension arrangements remained unchanged.

Discrimination also still applies to curbs on Gurkha soldiers living with their families. Three-quarters of those below the rank of sergeant have to live apart from their families.



Bright lights, big city: Traffic queues in Hong Kong's thriving Central District

Photograph: Tom Pilsten

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obituaries / gazette

Norman Carr

Norman Carr shot his 50th elephant on his 20th birthday when he was a government elephant control officer in Northern Rhodesia. It was a dangerous but necessary job, for the local tribes depended on what they grew and, if marauding elephants destroyed the crops, the villagers faced hunger and real hardship. Carr was one of four such officers in the country. Of the other three, one died of drink, one after being mauled by a lion and the third reads "Killed by his 330th elephant".

Like the children of many British parents working in the colonies, Carr was sent to England to be educated when he was just six years old. He didn't see his beloved Africa or his parents again until he was 17, when he worked briefly in his father's tobacco business in Blantyre, Nyasaland, before taking the first opportunity offered to get out into the bush. He was appointed to the Game and Tsetse Department of Northern Rhodesia in 1935, as an elephant control officer.

A formidable hunter, Carr was slight of stature, but he was tough and intrepid. "You don't really know a country until you've walked it," he declared as he set out to cover Rhodesia on foot, walking alone for months with just a few tea-bags and some quinine in his knapsack. He lived off the land as he went, gathering the knowledge which would later enable him to set up National Parks for the Rhodesian government and personally train the rangers and wardens.

After serving as an officer with the King's African Rifles in North Africa during the Second World War, Carr returned to Rhodesia with a new idea - perhaps it would be possible for villagers to make money out of protecting, rather than killing, elephants and other animals. He realised that, to make such a scheme work, the people on the land would have to benefit directly. He spoke to Paramount

Chief Nsefu in the Northern Province, who was mystified as to why people would want to pay to watch animals but was willing to try the experiment. In 1950, having built six simple rondavals (mud huts) for overnight shelter, Carr brought the first visitors from Chipeta, a town 100 miles away. They shot with cameras instead of rifles and during the first year paid the chief and his council the then substantial sum of £100 for the privilege. Eco-tourism in Africa was born.

The first National Park Carr established was Kafue, where he became warden. Matching the example being set by Joy and George Adamson, he rehabilitated back into the wild lion cubs whose mother had been shot. Although the cubs learnt to kill and live off their hunting, the experiment was perhaps not altogether successful, as one birdwatcher reported. He had driven into a remote area of the park and sat looking through his binoculars when a great lion appeared and pinned him down by sitting on his lap.

When Northern Rhodesia became the independent Republic of Zambia in 1964, Carr had no difficulty in deciding to stay on, he remembered with distress his early banishment to a country with very little sunshine or space. Not that Zambia was without its frustrations. "Bureaucracy thrives and there is no word for maintenance in any of the local languages. But if I get fed up," he said, "I just remember Regent Street with all its noise and pollution. That calms me down."

Carr wrote several books, all illustrating his love and knowledge of Zambia. The first three, *Return to the Wild* (1962), *The White Impala* (1969) and *Valley of the Elephants* (1972) were published in the UK and the last, *Kakuli* was published last year in Zimbabwe. *Kakuli* is the affectionate name by which the locals called him - it means "Old Buffalo".

His success in setting up the National Parks was in part due



Carr and his game warden Nelson Chikanga in Trafalgar Square, 1962, promoting Carr's book *Return to the Wild*. Photograph: Hulton Getty

to the good relationship Carr developed with the Rhodesian and later the Zambian government. He had befriended Kenneth Kaunda and introduced him to the richness of the country's wildlife. Before he became president in 1964, Kaunda had a small lodge in the Luangwa Valley and continued to visit Carr regularly. Prince Andrew, the Duke of Edinburgh and Prince Bernhard of the Netherlands were also visitors.

The Luangwa Valley National Park, which Carr established and worked in from 1960, is rich in game and it was there, after he retired from the Game Department, that he chose to live and set up Kapani, his own tourist camp just outside the park gates, situated by an oxbow lagoon. During the day the park gates, situated by an oxbow lagoon. During the day the park gates, situated by an oxbow lagoon. During the day the park gates, situated by an oxbow lagoon.

dawn chorus is always aided by the raucous honking of hippos. He also had a small camp deep in the bush for serious walkers. There the huts were so flimsy that when you lay in bed you could hear the lions breathing as they padded around exploring the human smells.

At the camp one Christmas morning, Carr took out a family on foot while the cook prepared dinner. They stumbled on a lioness with cubs and had to beat a hasty retreat up a tree while she paced angrily below. They were trapped for hours until a rescue party found them. He received a card every year thereafter from the family - in remembrance of the most exciting Christmas we have ever spent.

Going out on safari with Norman Carr was always an exciting adventure. His vast knowledge and experience meant he could sense in ad-

vance what was going on so he might take you in the evening to where 50 elephants were foraging the river to seek better feeding ground; the babies completely submerged held their trunks aloft like snorkels. But the Luangwa Valley is still a wild land with ever-present dangers and Carr never underestimated them nor was he too proud to beat a retreat.

Alarm at the devastation caused in Africa by poachers prompted Carr to set up the Rhino Trust in 1970 which later passed into the care of the World Wildlife Fund for Nature. After he was appointed MBE for his life's work, Carr suggested the conservation award should really have gone to the tsetse fly. In areas from which the fly had been banished, cattle are brought in to graze and people take over. Where the tsetse fly continues to flourish so does wildlife.

Carr was determined that tourism should not corrupt the local villagers and although he gladly took visitors right into the poorest areas, he would never allow tipping. However he encouraged donations for the local school which he sponsored, paying for uniforms, books and sports equipment. Twice a month he took parties of school children into the park to show them their heritage and teach them the names of the animals so they no longer called them all "inana" which means "meat". It is to this Kapani School Fund that donations in memory of Norman Carr are being directed.

Lynn ten Kate

Norman Joseph Carr, conservationist: born Chinde, Portuguese East Africa 19 July 1912; married 1940 Barbara Lennon (one son, two daughters); died Johannesburg 1 April 1997.

Toshiro Mayuzumi

Like truly elegant fashions, the finest musical scores for films are those that do not draw attention to their brilliance, and let the pictures speak for themselves.

So it was that in the 1950s and 1960s in Japan I was listening to some of the most original and inventive music of our time as I watched masterpieces by the directors Akira Kurosawa, Shōhei Imamura and Yasujiro Ozu - not to mention *The Bible* by John Huston, in which Japanese subtitles often obscured half the screen. The sounds I almost subliminally perceived in jam-packed cinemas were the exquisite experiments of a young avant-garde composer, Toshiro Mayuzumi.

Among those immortal movies scored by Mayuzumi were my first Imamura - his 1958 *Nusumareta Yokajō* ("Stolen Desire") - Kin Ichikawa's *Enjo* ("The Brazier") of the same year, Yasujiro Ozu's *Chiyō* ("Good Morning"), Tadashi Imai's *Bashō Zankoku Monogatari* ("Cruel Tales of Bushido", 1963) and three of Imamura's finest works, *Nippon Konchūki* ("Insect Woman", 1963), *Junigoku Mamon* ("The Pornographer", 1965, based on Akisada Nosaka's comic novel), and *Kamigami no Fukaki Yokuho* ("Profound Desire of the Gods", 1968).

Mayuzumi worked on nearly all Imamura's films, until the outrage he felt at the themes of later ones, offensive to Mayuzumi's right-wing nationalist views, destroyed a perfect partnership.

However, he was not just a highly gifted composer of film scores for both Japanese and foreign companies - he was a great musical genius in all fields from symphonic poems to opera, a passionate, eloquent supporter of nationalism, and a man whose life was as interesting as his work.

He graduated from Tokyo University of Fine Arts and Music in 1951. He had already won, in 1950, the third Mainichi Concours Music Prize for the music he composed to accompany Hideo Oba's film of Jiro Osaragi's novel *Kikyō* ("Homecoming"), his first film score, already perfect in its conception.

He had been influenced by his teacher, Fumio Hayasaka, who in 1934 had founded the iconoclastic Shin Ongaku Rengai (New Music League) with the aim of creating a truly "Eastern Style" instead of aping Western musical traditions. He taught Mayuzumi ways in which to contribute to contemporary music developments by experimentation of various kinds, a path Mayuzumi was to follow all his life.

Hayasaka was also chief musical director at Toho Film Studios, and it was through him that Mayuzumi was engaged to write his first score for that company, Keisuke Kinoshita's 1951 *Kurumen Kokyō ni Kaeru* ("Carmen's Return Home"), the first Japanese colour film, starring an ebullient young Hideko Takamine and underscored by witty tango tempos. Then came *Shiosai* ("The Sound of Waves"), 1954, a novel adaptation of the legend of Daphnis and Chloe by Yukio Mishima, who was to play an important part in the composer's life and political thought.

Before that, Mayuzumi had spent a couple of years (1951-

52) being taught by Tony Aubin at the Paris Conservatoire. But, afraid that the study of classical music theory would destroy his awakening individual techniques of composition, he dropped out of the course - a decision he was later to regret. By early 1953, Mayuzumi was back in Tokyo, teaching at the Music School of the University of Fine Arts. He composed and performed his first *musique concrète* piece, *XYZ*, and, with his fellow-composers Ikuma Dan and Yasushi Akutagawa, combined to form a musical collaboration known as the Group of Three.

Mayuzumi had experimented with 12-tone composition in his *Mikrokosmos* (1952) and went on to follow the techniques of John Cage by using "prepared" instruments and introducing the first examples of electronic music in Japan, learnt from his Paris days with avant-garde researchers like Pierre Schaeffer and his collaborator Pierre Henry, the German Herbert Eimer and Karlheinz Stockhausen, and the younger Frenchmen Iannis Xenakis and Pierre Boulez. These were all technological wizards, artists of the vacuum tube, the electronic device generating and synthesising electron beams. Mayuzumi also experimented with random aleatoric improvisations.

But, having mastered and improved on avant-garde musical styles, Mayuzumi found himself increasingly drawn back to the traditional music of his own land, including ancient court music (*gagaku*) and Buddhist chants (*shōmyō*). His 1958 *Nehan* ("Nirvana") was the first big step in this direction, using the traditional Japanese sounds of *shōmyō*. It won the Odaka Prize.

The New York City Ballet commissioned him to write the music for their 1961 success *Bugaku* (an ancient court dance to *gagaku* themes). He wrote two operas on distinctly Japanese subjects: one of which, *Kinkakuji* (1976), based on Yukio Mishima's novel, was performed at the Berlin Japan Festival by the Berlin Philharmonic conducted by Akio Watanabe. Mayuzumi composed two oratorios on Buddhist themes: *Keka* ("Repentance", 1963), and *Nichiren Shōnin* ("Saint Nichiren").

He became known to a wider public by his weekly television music programmes, starting in April 1966, and running for 1,530 performances. These were delightful essays in musical enlightenment, in which he surprisingly defended the beauties of *enka* (popular sentimental song) with its *kobushi* or "voice twisting" technique, a natural form of the electronic medium.

Mayuzumi was well known for his passionate outspokenness and virtuosic eloquence in the defence of nationalism. He founded and was president of the right-wing People's Congress for the Protection of Japan, which objected energetically to the rewriting of Japanese history textbooks. His stance angered a lot of liberals. But the main thing was his wonderful music. He was awarded in 1961 the high honour of the Purple Award of Merit.

James Kirkup

Toshiro Mayuzumi, composer: born Yokohama, Japan 1929; died Kawasaki 10 April 1997.

Pat Hughes

Pat Hughes was regarded as one of the finest tennis doubles players of his time. He won a string of titles with various partners from the late Twenties to the outbreak of the Second World War.

His greatest achievement was winning the Wimbledon doubles with Charles Tuckey in 1936 when they beat another British pair, Charles Hare and Frank Wilde, 6-4, 3-6, 7-9, 6-1, 6-4. Hughes had previously won the French doubles with Fred Perry in 1933, and the Australian title, also with Perry, in 1934. Only the US title eluded him for the Grand Slam.

Born at Sutton Coldfield in 1902, Hughes was taken to Belfast as a child, where he was introduced to tennis at school. He practised consistently and never missed an opportunity of watching the great players of his day. He developed a mixture of spins with his service and was also an expert volleyer and most effective with the lob.

He was not regarded as a great server, but his serve was always deceptive. No two would come down alike, even though they looked the same. He also had a great return of serve which often shook the heavier servers and helped to break up their game.

Returning from Belfast, Hughes studied at the London School of Economics. While there he pursued his interest in tennis, and visited Wimbledon as often as possible. He first came to public attention through a tournament run by the London Evening News and never looked back.

Although he reached No 3 in singles in Britain, it was as a doubles player that Hughes became most prominent. He has, however, one singles record which still stands the test of time, in that he is the only Englishman to have won the Italian singles. That was in 1931 when he beat the great French star Henri Cochet in the final. The

same year Hughes also won the Italian doubles and mixed doubles.

After gaining his degree in economics he took a post as lecturer at Southampton University. He subsequently held an appointment in the National State Bank in New York, but the call of tennis became so strong that he decided to devote his life to it, not only as a player but also as the director and tennis manager of Dunlop Sports. Tennis had opened up a new world for him. Wherever tennis was played Hughes would find his way there - his career became like a world travel guide.

Hughes came up in the era that produced Fred Perry, Bunny Austin, Charles Tuckey, Harry Lee, and Henry Billington, the grandfather of Britain's current hope Tim Henman. Along with Perry, Austin and Tuckey, Hughes helped take the Davis Cup from France in 1933 and keep it for the next four years. He was ill in 1937 when,

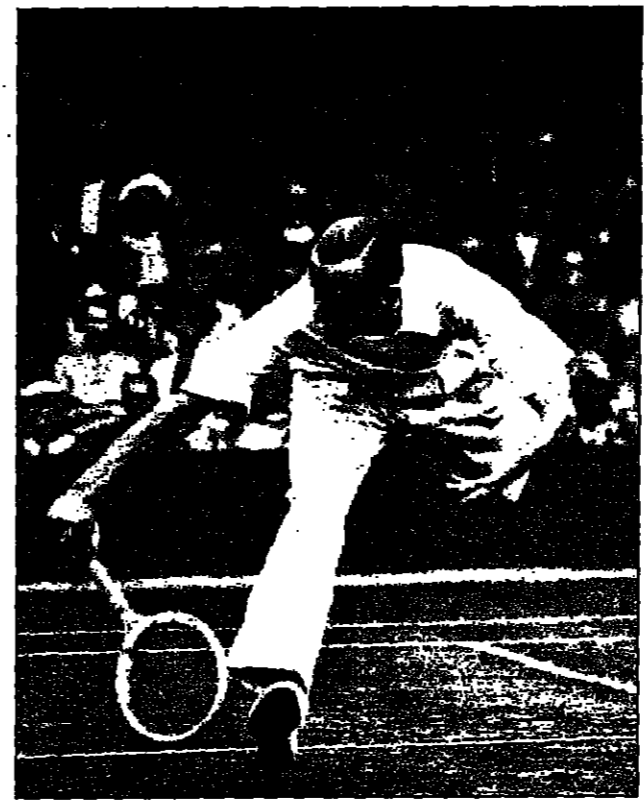
after Perry had turned professional, Britain lost the cup to the United States.

Those were the days of the amateur, before open tennis took over, but Hughes always advocated open tennis and in his capacity as tennis manager at Dunlop, helped arrange many exhibitions. For Hughes, the team always came before personal glory, which is of course in keeping with a top-class doubles player.

Hughes was a great friend of Lew Hoad, the Australian player, and used to spend his winters with him in Spain. A man of good fun, more so when abroad, Hughes was also a very private man. He never married and in his later years lived in Walton-on-Thames.

Bill Edwards

George Patrick Hughes, tennis player: born Sutton Coldfield, West Midlands 21 December 1902; died Walton-on-Thames, Surrey 8 May 1997.



Hughes playing at Wimbledon, 1937. Photograph: Hulton Getty

Births, Marriages & Deaths

BIRTHS

MONEYVILLE: On 4 April, at Queen Charlotte's Hospital, to Rachel (Nathaniel) and Oliver, a beloved daughter, Isabel Marlene Clare.

RUSHTON: On 4 April, at the Royal Berkshire Hospital, to Susan (née Butler) and Jonathan, a son, Benjamin James, a brother for Aidan.

DEATHS

BOYAN: Dom John Bernard, monk of Ampleforth, 17 May, peacefully, after a long illness, fortified by the rites of the Church. Funeral, Thursday 22 May, 12 noon, at Ampleforth.

BRADY: Dr Philip Valentine, died peacefully on 15 May 1997, at Claring Cross Hospital, after a long illness, borne with great courage. Funeral on Thursday 22 May 1997, 12.30pm, at Putney Vale Crematorium. Philip's family would like to express their profound gratitude to the Claring Cross and Hammonds Hospitals, for their marvellous care and support. Donations in lieu of flowers to Imperial Cancer Research Fund, W5, Bond, Chiswick, 0181-994 0277.

LAWWOOD: Gilbert, died peacefully on 14 May, after a short illness. Beloved husband of Julia, much-loved father of Jonathan and Nicola, grandfather of Ollie, dearest friend to Peter and loved by all who knew him. Funeral ceremony at Dartmouth Crematorium on Friday 23 May at 1pm. No flowers. Donations to the British Heart Foundation.

LOW: Daphne Earland, peacefully, on 16 May 1997. Widow of Roger Low; much-loved mother of Marcus and Valentine. Funeral at Honour Oak Crematorium, Brentley Gardens, London SE23, on Thursday 22 May, at 12 noon. Flowers to Ashdon Funeral Services, 218 Kennington Park Road, London SE11.

For Gazette, telephone 0171-293 2012.

Birthdays

Mr Tim Albery, opera director, 45; General Sir Hugh Beach, 74; Sir David Burman, former chairman, North East Thames Regional Health Authority, 89; Mr Graham Brady MP, 30; Sir Robert Bunsford, former HM Inspector of Constabulary, 67; Dr Sir Clifford Butler, former Vice-Chancellor, Loughborough University of Technology, 75; Professor Henry Cadbury-Brown, architect, 89; Mr Graham Brady MP, 30; University of Wales College of Medicine, 61; The Rev Professor Sir Owen Chadwick, former Master, Selwyn College, Cambridge, 81; Cher, singer and actress, 51; Fil-Li, John Cruikshank VC, banker, 77; Dyke, chairman and chief executive, Pearson Television, 50; Mr Keith Fletcher, cricketer, 53; Surgeon Vice-Admiral Sir John Harrison, 76; Lord Hollis, chief executive, United News and Media plc, 52; The Very Rev Professor John McIntyre, theologian, 81; Mr Jeremy Nichols, Headmaster, Stowe School, 54; Mr Peter Shore, former MP, 73; Sir William Simpson, former trade union leader, 77; Mr James Stewart, actor, 89; Sir Iain Valentine, chairman, British Telecom, 54; Mr Michael Williams MP, 45; Captain David Younger, Lord-Lieutenant of Tweeddale, 55.

Anniversaries

Births: Sir Henry Percy (Harry Hotspur), soldier and politician, 1364;

ROYAL ENGAGEMENTS

The Duke of Edinburgh, Patron-in-Chief, Victory (Sevices) Association, London SW1; and opens the Museum of London's exhibition "In Royal Fashion: the clothing of Princess Charlotte of Wales and Queen Victoria 1796-1911" at the Museum of London, London EC2C. Princess Margaret visits the Order of St John Trust Central Office, Wellington Hall, visits the Trust's

Honouré de Balzac (Ejalas), novelist, 1799; William Fergusson, a founder of Wells, Fargo & Co; Moshe Dayan, military commander, 1915; Deaths: Christopher Columbus, explorer and navigator, 1506; John Clare, former and poet, 1864; William Chambers, author and publisher, 1883; Sir Max (Henry Maximilian) Beerthorn, caricaturist and writer, 1956; Dame Jocelyn Barbara Hepworth, sculptor, 1975. On this day: Ascension Island was discovered by the navigator, João da Nova Castil, 1501; King Minter was badly damaged following a fire, 1840; the foundation stone of the Royal Albert Hall was laid, 1867; Amelia Earhart was the first woman to make a solo crossing of the Atlantic, 1932; the first US hydrogen bomb was dropped over Bikini atoll, 1956. Today is the Feast Day of St Austregisius or Osmund, St Bealla or Beallies, St Baudellus, St Bernardino of Siena, St Ethelbert and Saints Thalelusus, Asterius, Alexander and Others.

Lectures

Victoria and Albert Museum: Sarah Searight, "Garden of Paradise: Royal themes in Translating Art", 2.30pm. Tate Gallery: Tim Green, "The Restoration of Gainsborough's *Gypsy Encampment in Shalott*", 1pm. British Museum: Henrietta McCall, "Method in Mesopotamia: the life and times of Sir Max Mallowan", 1.15pm. National Portrait Gallery: Wendy Nelson-Cave, "American Painters in

18th-century London: West, Copley, Stuart", 1.10pm. Exeter University (Boudry Memorial Lecture): Dr Alastair Logan, "Christian Identity in Terms of Knowledge and Belief", 5.15pm. RIBA Architecture Centre, London W1: Dr Robert Kronenburg, "Architecture of the Ephemeral", 6.30pm.

Royal Society, London SW1: Professor Vidal Ashkenazi, "The Impact of Global Positioning Systems on Future Navigation", 5.30pm. London School of Economics (Mallowan Memorial Lecture), London WC2: Dr Barbara Bodenhorn, "If Mallowan's Met Boes in Barrow...", Looking Across the Boundaries of Fieldwork from the 1890s to the 1990s", 5.30pm.

Luncheons

Rotary Club of London: Mr Bill Cowan, President, Rotary Club of London, presided at a luncheon held yesterday at the Portman Hotel, London W1. Mr Ian Barclay, Director, Action Trust for the Blind, was the speaker.

Royal Over-Seas League

Sir John Stokes was the guest speaker at a meeting of the Royal Overseas League's Discussion Circle held yesterday evening at Over-Seas House, St James's, London SW1. His subject was "A Return to Traditional Values". Mrs Elizabeth Cresswell presided.

Home at Beckside, North Hykeham, and opens the new Day Centre at Digby Court, Bourne, Lincolnshire. Changing of the Guard: The Household Cavalry Mounted Regiment mounts the Queen's Life Guard at Horse Guards, 11am; 1st Battalion Scots Guards mount the Queen's Guard, at Buckingham Palace, 11.30am, band provided by the Scots Guards.

Disabled persons' holiday policy unlawful

LAW REPORT

20 May 1997

Regions v North Yorkshire County Council, ex parte Hargreaves; Queen's Bench Division Crown Office List (Mr Justice Latham) 16 May 1997

A council's policy in relation to the provision of financial assistance for holidays for disabled persons, by which it met only the additional costs of the holiday resulting from the disability and not the basic costs of the disabled person's holiday, was unlawful.

Mr Justice Latham declared the council's policy to be unlawful, and quashed its decision not to provide assistance in relation to the basic holiday costs of the applicant's disabled sister.

In accordance with its policy the council had decided to make financial assistance for a holiday available to the applicant, as his sister's carer, consisting of his full board and travel costs, and a contribution to the overall travel costs of the holiday. No assistance was provided in relation to his sister's basic holiday costs.

Jennifer Richards (Crombie Wilkinson) for the applicant; Roger McCarthy (Council Solicitor) for the council.

Mr Justice Latham said that the short point taken on behalf of the applicant was that the council having identified his sister's need as the requirement for a two week holiday, its obligation under section 2(1)(f) of

the Chronically Sick and Disabled Persons Act 1970 to "facilitate" that holiday should include consideration of some provision for the basic cost of that holiday.

The applicant accepted that the obligation was one which gave a discretion to the council. That would not have been the case if the obligation had been to "provide" a holiday, which was the word used in relation to other services identified in section 2(1) of the 1970 Act.

He submitted, however, that by excluding the basic cost of the holiday to the disabled person, the council had unlawfully fettered its discretion. The council contended that the intention of Parliament was not to relieve poverty, which was the province of other statutory provisions, but to relieve disabled persons so far as possible of the added financial burden imposed by their disability.

The council's obligations could not include an obligation to "facilitate" by the provision of the ordinary cost of a holiday which any person, whether disabled or not, would be expected to meet out of their own funds.

The applicant's submission was correct. The respondent's principal argument, namely

that the legislation was not intended to provide relief from poverty, but relief from the extra expense of disability, begged the question.

The council had determined, as in the present case, that the need for the holiday was a result of the disability, then the cost of the holiday to the disabled person must be capable of being an additional cost which was the result of the disability.

That view was reinforced by the fact that section 2(1)(f) of the 1970 Act envisaged that the holiday might be "facilitated" by being "provided" under arrangements made by the council. In other words, the statute envisaged a situation in which the statutory obligation could be met entirely out of the council's own resources.

By section 17 of the Health Services and Social Security Adjudication Act 1983, if such provision were to be made by a council, the council could only recover the cost of the holiday if the means of the recipient of the service were insufficient to meet the cost.

The corollary of that must be that, if the holiday was arranged by or on behalf of the disabled person himself, that person's means should be a relevant factor in any decision as

to whether or not to provide funding for the holiday.

It followed that the policy adopted by the council unlawfully fettered its discretion, and the decision based upon that policy was flawed and must be quashed. That would not, however, inevitably result in a different decision in relation to the applicant's sister. The council might well wish to reassess her needs, both because of the passage of time and the decision of the House of Lords in *R v Gloucestershire County Council, ex parte Barry* (Law Report, 9 April 1997) [1997] 2 WLR 459.

The council had submitted that, whatever his Lordship's view about the construction of section 2 of the 1970 Act and the lawfulness of its policy, the Community Care (Direct Payments) Act 1996 provided a practical solution to the problem. It empowered local authorities to make direct payments for those in need of community services, but made no change to the criteria which were to be applied in determining what services were "needed".

Unless, therefore, the council's decision were quashed and more particularly its policy declared unlawful, its mistaken approach to its statutory obligation to the applicant's sister, and the argument between the applicant and the council, could be perpetuated.

Kate O'Hanlon, Barrister

Blair's Roundheads are too cavalier with the bans

The new government is exhibiting distinct Roundhead tendencies. If Tony ("call me Oliver") Blair has long had Cromwellian leanings in the way he runs the Labour Party, it is only recently that Home Secretary Jack Straw has been trying on Colonel Fairfax's uniform.

During the past few days Labour's New Model Army has been proposing to kill various joys and severely restrict others. After alcohol, the weed: the Government's instinct is to reach for legislative prohibition. Yesterday the Health Secretary, Frank Dobson, said that as well as banning tobacco advertising, the Government intends to proscribe sponsorship by cigarette companies.

The alcohol and tobacco industries are not backward in coming forward and they will shout long and exaggeratedly. But they must not try to play the "socialist" card. Labour's leaders are nothing if not adepts of Thatcherism. One of the ingredients of that strong brew, and the weaker potion stirred by John Major, was a willingness to throw the statute book at "problems". Thatcherism was authoritarian. It waned to extended police powers and added chapters to the criminal code. The Tories were all for banning dogs, raves, travellers, football fans, homosexuals. From the Dangerous Dogs Act to Section 28 of the Local Government Act 1987 we have examples of government by fiat; however badly drafted and ultimately unworkable the statutes, the intention was to throw the weight of the state into stopping behaviour.

Labour may repeal some of these Tory statutes, and will burnish its liberal credentials if it does. But its instincts already appear worryingly similar: instead of persuasion, legislative nannying; instead of fiscal incentives, blanket bans. Take alcohol. It is the case that alcohol is a noxious drug. It is a factor in household accidents and abuse, in death and mayhem on the roads, violence among the young, and disease and deterioration among the old. It is also an essential lubricant of our kind of society and - this is the clincher - the point at which individuals must be allowed to choose to go to heaven or hell in their own way, and choose, too, whether to bring up their children well or badly. Children who are badly supervised, who live outside the bonds of family trust, will find ways to drink, smoke and otherwise misbehave. That the drinks industry has a product engineered to look and taste like carbonated sweet drinks does nothing, in itself, to predispose teenagers to defy their parents or abandon their own sense of right. We have reason to worry about standards of parenting and the quality of supervision of young people but that ought not to justify proscribing a commercial product which is otherwise entirely legal.

Similar arguments apply to tobacco. There is something dishonest about making conduct associated with cigarettes (such as advertising or sponsoring racing cars) illegal but refusing to contemplate proscribing the action itself. Smoking affects other people in enclosed spaces; no one should be forced to smoke passively. These precepts justify banning smoking in planes and (sections of) restaurants. But preventing Embassy sponsoring snooker or Benson and Hedges sponsoring golf feels like an intrusion on everyone. The tobacco companies may have quite cynically bought their way into public affection by their heavy investment in sports, but there it is: cigarette money con-



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tributes mightily to the diversity of sport, to widening fields of attainment and so to the greater pleasure of the participating and watching public. That fact has also to be weighed in the balance.

To argue this way is of course not to condone an activity with such harmful individual effects and substantial social costs. But what the state should be doing is sharpening the individual calculus: for example, wondering whether the time has now come for the NHS to charge smokers, downgrading its work on lung cancer (insofar as it is self-induced), and visiting on individuals and their relatives the consequences of their behaviour.

Government operates inside a balance of liberties and proscriptions. Tony Blair is in tune with public opinion and right in principle to move swiftly to ban entirely the private ownership of handguns. On good Millite principles, weapons should be strictly controlled: their purpose is to inflict harm, potentially on other people, and any sporting activity is not only still possible, but anyway incidental. What New Labour needs to do is work case by case. Blairites should be careful of reaching for the parliamentary draftsman every time.

These next few months are going to offer plenty of other occasions when the case for state intervention will need the most thorough examination and debate. Take the export of live calves. Again, a range of considerations applies, from the commercial advantage of British farmers to the enjoyment of Italian consumers. In a civilised country - a consideration independent of debate about how far animals are sentient - animals ought to be treated in a civilised way. A key question becomes whether it is possible to transport live calves by truck humanely and still make the trade viable. It is for government to specify standards and for the state to insist that animals are well treated. But, respecting the diversity of public views, government must strive to avoid blanket bans.

Before long another vexed animal issue will show New Labour in its true colours: the future of fox hunting.

Labour MPs should reflect. Demonstrating vociferously against hunting, persuading landowners to refuse permission for their land to be hunted over, and excreting the cult of ritual slaughter are legitimate tactics for opponents to use. But they stop well short of using the power of the state to ban the activity. That would be oppressive. New Labour Cromwellians should remember with what enthusiasm the Cavalier king was welcomed back. Puritanism is only ever one swing of a long pendulum.

We thank you, Ms Widdecombe

There should be no mistaking the significance of Ann Widdecombe's onslaught on Michael Howard yesterday. Forget the fact that her own hands are hardly clean: as she admitted, she should have resigned months ago. Forget the personal animus. This was not eventually about Michael Howard or Derek Lewis. What the former prisons minister illustrated was constitutional failure: the incapacity of the House of Commons to hold the executive properly to account. MPs are regularly hoodwinked and fobbed off. Ms Widdecombe deserves the thanks of everyone concerned to reform the way the country is run.

LETTERS TO THE EDITOR

British refuge saves lives of Algerians

Sir: Last week the reports that an asylum-seeker had died in custody on his enforced return to Algeria highlighted the civil war there. The deportation of the many Algerians currently detained in prisons and detention centres here was suspended. How tragic if the good news (report, 19 May), that that particular asylum seeker is alive and unharmed, should become bad news for those Algerians hoping for temporary admission, were it to be used as an excuse by the Home Office to speed up their deportation.

The risk to any young man sent back to Algeria is enormous. Those avoiding military service because they don't want to kill their compatriots have "disappeared" in police custody. Those who have completed their suffer reprisals from Muslim terrorists. No one knows what has happened to many of those who have already been forcibly repatriated.

I have come to know a number of Algerians over the past two years through visiting them in detention. They have strong family ties and miss their culture and way of life. All they want is the chance to stay here until it is reasonably safe to return. They are willing to work at the most menial jobs in order to support themselves and their friends. They do not want to depend on state benefits.

Detainees from Zaïre have now mostly been released from detention. No doubt many will soon choose to return to make a fresh start in their country. I hope the new Home Secretary will see his way to ending months of agonising uncertainty by giving the same rights to the Algerians.

TERESA FRAYN
Oxford

Sir: Robert Fisk ("Truth the victim in American crackdown", 16 May) writes of the questionable means used by the US authorities in their attempt to send Ayman Haddam back to Algeria. Truth is even more a victim in Algeria itself.

No information regarding "security" matters in Algeria may be reported that has not been issued by the security forces or the official press agency. The French newspaper *Liberation* (23 April) reported that journalists trying to visit the village where 93 people were reportedly massacred on the night of 21/22 April were turned back, preventing any independent confirmation of the massacre.

There are no foreign journalists in Algeria, and on the rare occasions that they obtain visas they must almost invariably be accompanied by a security forces escort. Thus no independent reports are reaching us from Algeria.

On 23 February Rachid Medjahed, arrested by the security forces, appeared on television and "confessed" to having planned and directed the killing of the prominent trade unionist Abdelhak Benhamouda on 28 January 1997. Rachid Medjahed's father, who had not known of his son's arrest until he saw him on television, was shown his son's body in a hospital on 3 April. He was not allowed to take the body but was given a death certificate signed 3 March.

On 8 April representatives of Human Rights Watch, who were visiting Algeria, were told by the Minister of Justice that Rachid Medjahed had been wounded but so far as the minister knew was well and receiving treatment.



Do the Algerian authorities know what is going on in their own country? Amnesty International is greatly concerned that Mr Medjahed was extrajudicially killed. The truth about the deaths of tens of thousands of other Algerians needs to be most urgently known. The dreadful atrocities carried out by armed groups cannot be an excuse for not permitting the truth of the situation in Algeria to reach the outside world.

ROGER GOLDSMITH
Country Coordinator Algeria,
Amnesty International UK
Colwyn Bay, Cwyd

Babies at risk from dioxins

Sir: It has been known for many years that PCBs and dioxins are widespread in our diet and are concentrated in human milk as well as in cows' milk (Briefing, 15 May) and that they take a long time to decay, probably over 10 years.

They are entirely man-made and the biggest source in past years has been the incineration of municipal waste. In a report published last year the Inspectorate of Pollution (now part of the Environment Agency) stated that far breast-fed babies the estimated average intake of dioxins is approximately 9-28 picogrammes (pg) per kilogram body weight, per day, compared to the adult intake of 1-5pg.

These estimates were based on measurements by the Ministry of Agriculture and were used to demonstrate that the encouragement of incineration as a method of dealing with the UK's waste disposal problem would not

cause any health hazards from dioxin emissions from the incinerator, as modern equipment could trap the dioxins and guarantee that less than 1,000pg of dioxins per cubic metre of air were discharged to air: this would mean that those living near the incinerator would only absorb a maximum of 0.1-0.5pg per Kg body weight a day, a small amount compared with what they were absorbing from their diet.

The report however admits that even on their estimated figures breast-fed babies would be receiving more than the recommended daily dose.

Now we learn that actual measurements are far greater and show that breast-fed babies at two months old are absorbing as much as 110pg per Kg in body weight plus another 60 pg of PCBs, of similar toxicity, which were not measured before. But, we are told, all will be well because once the baby goes on to mixed food and takes less milk the dioxins they have absorbed will gradually decay.

These compounds are accepted carcinogens: the Americans and many British scientists believe they are capable of affecting the hormones and the immune system. It is urgent that steps be taken to reduce the amounts in our diet as soon as possible, and the previous government's policy of encouraging incineration of municipal waste should be reversed. There are other ways of dealing with waste.

Dr PATRICIA ELLIOTT
Saffron Walden, Essex

Devolution leaves England behind

Sir: The Government's devolution proposals will give more rights and control over their lives to citizens who happen to live in Scotland than those in Wales, and those in Wales will have more than those in England. Citizens of Northern Ireland will be fourth-class citizens. Proposals for London will give Londoners preferential treatment compared with residents of our other great cities. The two areas of the UK which receive a disproportionately large share of national resources, Scotland and London, will have governments which will assist them in gaining an even greater advantage.

Tony Blair has reiterated New Labour's intention "to speak for and serve the whole nation". If he is serious in this claim, he must assure us that within the foreseeable future Wales and English regions will get the same powers as Scotland, and, critically, ensure that legislation for an elected mayor and authority for London encompasses also Merseyside, Greater Manchester and Newcastle.

DAVID SEE
Manchester

Sir: As a Scot who lives in England and who believes in the Union, I would like to ask Mr Blair: "Why are the English and Northern Irish not being consulted over devolution?"

We live in the United Kingdom,

created by the Act of Union 1707 and the English, Northern Irish, Scots and the Welsh must be consulted as equal partners.
The Rev PAUL WILLIAMSON,
Hamworth, Middlessex

Victorian 'care in the community'

Sir: Andreas Whitam Smith's article of 13 May, "The man who abolished madness", accuses the ire of the consultant psychiatrist Dr Peter White (letter, 14 May).

Those of us in the profession who appreciate Largacil but would like to convince colleagues that the meaning of schizophrenic communication may be understood and used to help patients alongside drug treatment are not assisted in this aim by such hyperbole and wholesale attacks on psychiatrists for hospitalisation. Mr Whitam Smith should read the report of the mid-19th-century Royal Commission on the dreadful conditions endured by the insane in the community then - often cared for by lay people. Languages are misinformed to suggest that all compassion and "attainment" resides with them. To quote another literary reference, Charles Lamb, whose devotion to his sister Mary was exemplary, nevertheless from time to time found it necessary for her to have a spell in hospital for her madness.

There is to be an international conference in October in London on psychotherapy and

schizophrenia which will address some of the problems.
Dr ISOBEL HUNTER-BROWN
Leicester

Designing the millennium

Sir: The report (16 May) about the Millennium Exhibition and the role of the design company Imagination contained a number of inaccuracies. Imagination has worked as a consultant to the project on a series of rolling contracts. The last of these expired at the end of March, following which Imagination advised Millennium Central (the exhibition organisers) that it felt it was now appropriate for the design work to pause until Millennium Central is in position to issue specific design briefs.

It is quite wrong to suggest that there were cost overruns on any aspect of the content design. At all times Imagination has worked strictly to the project budgets set by the exhibition organisers in January of this year.

Imagination remains fully committed to the successful realisation of the Millennium Exhibition at Greenwich and has advised Millennium Central that it would be happy to respond to any future briefs.

PAUL MACKAY
Director, Imagination
London WC1

That's enough

Sir: Eighteen days of Labour rule - time for a change?
GERALD LEBEVE
London, SW12

Unknown waste of water

Sir: As a former senior water engineer of the pre-privatisation era I am concerned to see how the leakage rates of the various water companies are being generally quoted as though they were gospel. Matthew Taylor in his article "Lessons in how to run water" (19 May) is the latest politician to quote a 30 per cent leakage figure as though it were a proven fact.

Until there is metering of all supplies no one can say how much water is lost in the distribution system. The present means of arriving at leakage is by estimating the daily unmetred consumption of each household and making other basic assumptions on legitimate uses: the estimated leakage is then the difference between those totals and the amounts supplied into the system. An Ofwat report of May last year made it clear that there are "significant uncertainties in leak reporting".

By all means ensure that the water companies reduce their waste of water in these times of drought, but let us have some caution in the figures quoted.
JOHN FAIRBANK
Hove, East Sussex

Bike cities of the future

Sir: The recent letters from those who perceive all cyclists to be law-breakers couldn't be due to jealousy, could they? After years of woeful provision we are finally getting at least some of the cycle-friendly amenities common on the Continent. Last week in Sunderland, a dual-carriageway road was made into single-carriageway after a cycle lane was installed. This, quite naturally, encourages some motorists.

However, provision for cyclists will encourage some motorists to cycle rather than drive. When 15 per cent of the traffic is made up of cyclists (York sometimes comes close), city centres are transformed for the better. Cars can no longer break the law by speeding - too many people in the way - and cyclists and pedestrians can travel in safety, persuading even more people to choose transport options other than the motor car.
CARLTON REID
Publisher, "On Your Bike"
Newcastle upon Tyne

Cut off on the motorway

Sir: *The Independent* (15 May) contains as usual an advertisement from a mobile phone operator - in this case Orange - claiming to cover somewhat over 90 per cent of the UK population. All four operators make similar claims.

As one who in recent weeks has made considerable use of in-car mobile phones from at least three of the systems currently operating - including Orange - I wonder if one of them can explain how they have managed to corral the uncovered 8 per cent - or whatever - to inhabit 100-yard strips at two- or three-mile intervals along the sides of major roads and motorways. This has led to calls being regularly cut off and on reconnection punishing the poor consumer for a failure by the operator by charging them again the minimum connection charge.

GLYN FORD MEP
(Greater Manchester East, Lab)
Brussels

Post letters to *Letters to the Editor*, and include a daytime telephone number. Fax: 0171-293 2056; e-mail: letters@independent.co.uk. E-mail correspondents are asked to give a postal address. Letters may be edited for length and clarity. We regret we are unable to acknowledge unpublished letters.

essay

The Indian conquest of English

The new novels of India are being read around the world, but they are being written in the language of the conqueror. Peter Popham explores an improbable success

Fifty years after India's independence, we in Britain seem far more enthusiastic about marking the golden jubilee than India itself. It is not hard to see why. For India, the attainment of freedom was overshadowed by Partition, and the massacres and mass migrations that accompanied it; any celebration is bound to be tinged with bitter regret. For the British, on the other hand, it is as one cynic put it, "the anniversary of our munificence in giving away such a jewel".

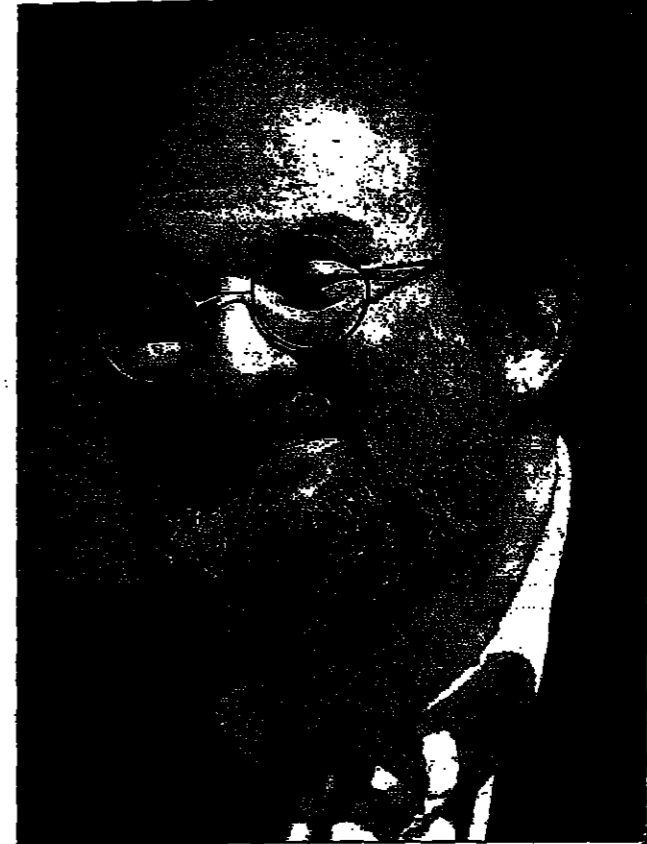
But if that is one rather creepy, narcissistic reason for cheer, there is another which is perhaps better founded. Indian English goes from strength to strength. The conqueror's tongue, so useful in enabling educated Indians from every part of the country to talk to each other on linguistically neutral ground, has not merely survived Britain's departure: it has gone on to achieve an extraordinary identity of its own. Thanks to Salman Rushdie more than any other single individual, it has risen to the challenge of evoking the phantasmagoria of India. In becoming emancipated from British English, it has not become quaint or folkloric in any normal meaning of the term. It requires no indulgence. Yet all this is from a country that is about as culturally remote from Britain as it is possible to be, in which English remains the medium of a tiny minority. Its richness and vitality are mysterious.

The best Indians write so well that their work betrays no effort. But there is no doubt that the effort required to master such an alien tongue is immense. In a contribution to the recent issue of *Granta* devoted to India, Nirad Chaudhuri, the Indian author,



who was 100 last year, described his own method. "I did not learn English from Englishmen," he wrote, "nor hear it spoken by native speakers till late in life." He learned enough from his Bengali teachers "so that when I entered university life in 1914 I didn't have to consult dictionaries... Nonetheless an acute anxiety troubled me when I was writing my first book, *The Autobiography of an Unknown Indian*, in 1947 and 1948. I asked myself whether what I was writing would sound like English to those born to the language. I knew, unless it did, no English publisher would accept my book.

"I adopted a special method to rid myself of the worry. I read what I had written aloud and then also read a passage from some great book of English prose in the same way. If the two sound effects agreed I passed my writing...



Jewels in the literary crown: (clockwise from top right) Salman Rushdie, Vikram Seth, Arundhati Roy, and Nirad Chaudhuri

This method proved itself. When, after the publication of my book in England on 8 September 1952, the BBC read out certain passages from it, I said to myself: "That was the sound I had in my mind's ear."

Since Chaudhuri's debut in the year of independence, recognition in the West of Indian literary achievement has been slow to build. But after the success of Rushdie, Vikram Seth, Anita Desai, Rohinton Mistry and a handful of others, the door has been battered down; hopeful young Indians carting their manuscripts to publishers in London or New York today find they have arrived in the middle of a modest but palpable Indian boom.

The most celebrated beneficiary of the boom so far is Arundhati Roy, a woman from Kerala in the extreme south, whose first novel, *The God of Small Things*, is published by Flamingo in three weeks. Roy, who trained as an architect in Delhi and has had two of her scripts filmed to critical acclaim, gained instant fame when the London agent David Godwin, stunned by her manuscript, took the first plane to Delhi and signed her up. That judgement was confirmed when world rights were bought for half a million pounds.

Roy is the rarest sort of commodity in publishing, being possessed of an amazing elfin beauty as well as great talent. But there is nothing commodity-like about the book itself: the result of five years' work, it is deeply personal, and so vivid that its evocations of the Kerala landscape colonize the reader's

own imagination. It also displays to the greatest degree possible the special Indian relationship with English: possessing the extreme intimacy that is the fruit of the sort of effort Chaudhuri writes of, yet simultaneously able to play with the language in a way that only those raised some distance from the birthplace of English – whether Irish, African or Indian – seem capable.

But Roy is also painfully aware of the problematic cultural implications of the intimacy which she enjoys. "Ammu said that Pappachi was an incurable British CCP," she writes in *The God of Small Things*, "which was short for chhi-chhi-poach and in Hindi meant shit-wiper. Chacko said that the correct word for people like Pappachi was Anglophile... Chacko told the twins that though he hated to admit it, they were all Anglophiles. They were a family of Anglophiles. Pointed in the wrong direction, trapped outside their own history, and unable to retrace their steps because their footprints had been swept away..."

Roy is one of the newer Indian writers introduced this week on Radio 3 by Noah Richler in a series of five programmes. Taken together they give a good indication of the variety and multifarious richness of Indian writing today. Shashi Tharoor is there, satirical author of *Show Business*, a farce about Bollywood, and *The Great Indian Novel*, whose previous day job was head of peacekeeping for the UN in Bosnia, and who is now secretary to Kofi Annan, the UN secretary-general. Upamanyu Chatterjee's first novel, entitled *English, August*, describes the

coming of age of a young civil servant dispatched to the formidable trouble zone of the state of Bihar. Chatterjee now works as he chief of Bombay's slum redevelopment office. He describes himself as writing "as a gentleman plays cricket" and aims to write one novel every Olympics.

Mukul Kesava is the only one of the five who is overtly indebted to the Salman Rushdie school of magic realism; his novel *Looking Through the Backwards-Forwards View Glass* is a fall through history to the time of Partition, the horror of prescience relieved by fantastic humour. Finally there is Vikram Chandra, who has followed his door-stopping debut novel, *Red Earth and Pouring Rain*, with a collection of stories entitled *Love and Longing in Bombay*. With his light American accent and openness to American influences such as Raymond Chandler, Chandra represents a growing trend among the younger generation of studying in the United States and then staying where they are. Many of India's better-known writers have settled abroad.

Yet the example of Arundhati Roy and the others demonstrate that the wellsprings of English within India still flow abundantly. But what exactly is their writing for? Are they writing purely for themselves? For their peers within Indian cities? Or for the benefit of the whole world?

Arundhati Roy, according to Noel Richler, is "writing out of her own need and urgency": certainly her book has an intensity and brilliance that renders such questions largely redundant. Rich-

ler points out, however, that both Shashi Tharoor and Roy herself are Bengali (Roy part-Bengali), and therefore part of the rich Bengali literary tradition. Throughout India's big cities, there are closely printed, densely written broadsheet newspapers and weekly and monthly magazines; and the highly articulate, reception given to India-related projects like the new *Granta*, testifies to the liveliness of the literary world within India.

And then there is the world beyond, the huge importance of getting a British or American publisher, the lure of Arundhati-sized advances. "Part of you," Richler suggests, "is inevitably writing with the world in mind."

Yet the contradictions and the difficulties remain: of writing for the world about your own country, when the vast majority of your compatriots will not understand what you are saying.

"People ask me sometimes, who are you writing for?" Vikram Chandra tells Noah Richler in the course of one of the Radio 3 programmes. "Are you writing for a western audience or an Indian audience? But that distinction falls apart when you look at it a little more closely. What is meant by an Indian audience? Are we talking about the intellectuals in Bombay or the tea-planters in Darjeeling?... What you can finally tell stories for are the people who are sitting right in front of you. Once it goes over the loudspeakers out into the world outside, you have no control over it."

The writer has been appointed India correspondent for *The Independent*.

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Focusing on the Public Sector

First, smoke your rhododendron

Every year about 5,000 new cookery books come out. Next year they will all be remembered because nobody can make up their mind which one to buy. To avoid that terrible waste, we are introducing a new service that sifts through all the new cookery books and recommends the best to you. Here to kick off is the pick of all the cookery books published over the weekend.

'The River Café Cookbook' by Emma Thripp (Garlic Press, £10.99)
The River Café is a small eating place in the North of England which is cashing in on its similarity in name to the River Café in the hope that lots of people will buy this cookbook by mistake. It contains over 100 recipes involving black pudding.

'Cooking With Flowers' by Percival Forster (WineSkin Press, £19.99)
Every cookery book imagines it is making a breakthrough, but this one genuinely does seem to be treading fresh territory. We may have occasionally come across deep fried courgette blooms, and rose petals are not unknown in the kitchen, but

a whole book devoted to the cooking of flowers is ambitious indeed. Of the recipes we tried, rosemary flower bread was good, apple blossom pudding was delicious and daffodil pie unspeakable. Smoked rhododendron blooms are not as bad as they sound, but nearly.

'Isleland Cooking - the Culinary Nobody Knows' by Per Ulfsson (Deep Freeze Press, £19.99)
Although publishers are always on the look-out for countries whose cooking has yet to become popular, they should be warned that Scandinavian cooking is very hard to sell to the British public. (A book called *Finland Eating* is said to have sold not a single copy.) This book, with its heavy horse steaks and endless ice creams, may do well, but we have our doubts. There is much emphasis on cooking over peat, perhaps in an attempt to outdo the River Café's recent conversion to wood cooking.

'Post-River Café Cooking Theory' by Deirdre Stigwood (Lychee Press, £19.99)
(Not strictly a cookbook - there are no actual recipes in



Miles Kingston

it - this does provide a useful gloss on the way we cook now. Stigwood points out that the River Café has become famous despite most people not knowing where it is or having eaten there. She points out that people talk about River Café style as being more important than the place itself and argues, startlingly, that the River Café does not even need to exist - that one could have a new style based on a purely putative restaurant. There have been cookbooks based

on fictional characters (a Margret cookery book, for instance) so why not on fictional restaurants? She concludes: "If Della Smith did not exist, it would not be necessary to invent her." We have not the faintest idea what she is on about, but the pictures are nice.

'Choosing Your Name' by Patsy Boulton (Grassini Books, £19.99)

Miss Boulton's thesis is that many cooks owe their success to their name, and that you should invent one carefully if you are after fame. Floyd was a good name, because it lent itself to alliteration - Floyd on Fish, Floyd on Fire, etc. Marco Pierre White was a silly name but it did combine three nationalities - Italian, French, English - in a way that suggested the eclecticism of the man's cooking. Ken Hom she approves of, because, as she says, "the British can take a Chinaman only when one of his names is Chinese and the other English". She is at a loss to explain how a man called Rick Stein became a popular cook, but otherwise is very good.

'The River Café Cookbook' by Eddie Shawarma (Placebo Press, £19.99)

An attempt to cash in on the success of the River Café Cookbook. To be avoided, on the whole.

'The Eric Cantona Cookery Book' by Eric Cantona with others (Bulfinch Books, £19.99)

This is, apparently, Eric Cantona's first cookbook, though it is difficult to tell whether the pieces it contains are recipes or poems. Take this, for instance: "If there were no dogs in the world, would the sardine be man's best friend? Only the seagull can tell. Grill and serve."

'The Prison Cook Book' by Mrs Michael Howard (Wormwood Press, £19.99)

The wife of the former Home Secretary achieved passing notoriety for suggesting that prison food was too good for them. Now she puts action into words by producing a model prison cookbook, and most of the dishes described would, indeed, be more of a deterrent than her husband's policies. We especially liked the title of her chapter on Breton onions: "String 'Em Up, I Say!"

Who's the West que

The voice



Andreas Wistman Smith

The Big issue runs strong campaigns, outells 'The Economist' owes nothing's market research and, best of all, it's a good read

مكتبة من المجلد

Who's afraid of the West Lothian question?

He's back. And so is his famous question. It was possible, listening to Tam Dalyell talking about the problems thrown up by the powers devolved to a Scottish parliament, to imagine yourself transported back to 1978. It sounded so familiar, hearing Dalyell warning like Cassandra that one day there would be a government that wouldn't tolerate him and his parliamentary neighbour Robin Cook being "able to vote on housing, education and health in West Lothian, but not in West Lothian".

This time there is a difference: unlike the tottering minority government of 19 years ago, this one can ignore Dalyell. With a huge majority, a Scottish MP-free Tory party, and home rule referendums planned for what will still be its honeymoon period, why should it worry about the wrinkle of Scottish MPs at Westminster being able to vote on policies which only apply in England and Wales?

It is easy to understand why so many Scottish politicians are dismissive when their English counterparts bleat about the West Lothian question. English Tory politicians throw up their hands in horror at the idea of Scottish MPs voting on matters which only concern England without showing any signs of having recognised how long the reverse has been true. For 18 years an English Tory majority imposed its will, poll tax included, on a Labour-voting Scottish people without turning a hair. It was, after all, partly to remedy that injustice that the momentum for home rule developed. But building into a system the possibility that somewhere, far over the horizon, English and Welsh voters might have policies imposed on them by a majority of Scottish MPs is only desirable if you believe revenge is a suitable basis for constitutional reform – and don't mind the English nationalist tensions that such an outcome would generate.

There have been at least two answers to the Lothian question, both of them canvassed by the Lib Dems. The Government's line, so far, is that all the question exposes is a potential anomaly in the British constitution, that the constitution is full of anomalies, and anyway no one objected to Northern Ireland MPs voting on mainland issues. And that's, er, it.

The Lib Dems, by contrast, have proposed that the anomaly would be eased by reducing the present 72 Scottish MPs – who currently represent 55,000 voters on average – to a number proportionately closer to the English, who represent 68,000 on average. In the short term this has disadvantages for both Lib Dems – currently sitting for territorially huge, sparsely populated seats – and for Labour, with the risk of "warfare" in the remaining constituencies.

That fear may be exaggerated; won't the Scottish parliament itself open up just the kind of alternative career path for Labour politicians that would prevent that happening?

Less formally, the Lib Dems have floated the idea that Scottish MPs should exclude themselves from voting on issues which in Scotland are the province of the Scottish parliament. This, the so-called "In and Out" solution, is hardly a new idea, though it is a real answer. The Scotsman advocated it before the election – just a few days after it had been pointed out



Donald Macintyre
The Government line is that the question only exposes an anomaly, but the constitution is full of anomalies anyway. And that's, er, it

clear at the time, was arguing that there were no solutions to the problems he saw in home rule. If his remark meant anything, it was that we shouldn't have a Scottish parliament.

As the Scottish academic Bill Miller has frequently pointed out, governments with convincing UK majorities have also had majorities in England. Indeed, only the 1964 government and the first one in 1974 haven't. That is sometimes used as an argument for saying the West Lothian question doesn't matter because it would so infrequently make a difference in practice. But if the principle is wrong, it is wrong whatever the parliamentary arithmetic. In fact the Miller figures simply show that in practice a Labour government has little to fear from excluding Scottish MPs from solely English and Welsh matters.

It is worth remembering that the Scottish referendum, good as the auspices are, isn't yet won. A powerful argument for the parliament, that a Labour Scotland doesn't want to be controlled by a politically alien administration, is inevitably reduced when the UK majority is the same as Scotland's. At least one Scottish Labour backbencher (without anti-devolutionist form) was struck, during the election campaign, by how divided his constituents seemed to be on the issue.

At the moment the Scottish Tories couldn't fight their way out of a wet paper bag, but the threat that some future Tory government might arbitrarily and brutally reduce Scottish representation could yet be used to deter some support in the referendum. It would be well for the Government, as the Lib Dems have done, to think creatively about the answers to Dalyell's tiresome, repetitive but inescapable question.

in *The Independent* that Blair's freedom to put it into practice, if he chose, would be much greater if he won a landslide victory. (Because with a big majority in England, he would not need the Scots to win votes.)

But its antecedents go much further back than that. Gladstone's 1893 Government of Ireland Bill originally proposed that Irish MPs should be excluded from matters "confining to Great Britain or some part thereof". And Section 66 of the 1978 Scotland Act, as a result of a Tory Lords' amendment carried against the Callaghan government's fierce opposition by just one vote, provided that if Scottish MPs had been decisive in a vote on issues which didn't concern Scotland, there should be a 14-day cooling-off period and a second vote, to allow reconsideration.

Taking a distinctly snuffy attitude to the idea of "In and Out", the Constitution Unit, in its report on devolution last year, approvingly quoted Enoch Powell's somewhat mystical remark made in the 1978 debates on Scottish home rule, that "the nature of this House is that it is a body corporate. What concerns any part of us concerns us all. We are, in the best sense of the word, peers in every respect and sit on a basis of equality of responsibility and rights."

You don't hear constitutional reformers quoting Powell quite so readily on the threat a reformed and therefore legitimised Lords would pose to the ancient sovereignty of the Commons. The important point is that Powell, as he made perfectly

Giants who outgrow the back pages

by Rupert Cornwell

The retirement of Eric Cantona is not only a grievous blow to everyone professing faith in Manchester United Football Club. A hole has been torn in the heart of the country's life – or, more exactly, in the heart of the media.

A new candidate (or candidates) is required to fill the unofficial post of national sporting celebrity. Preferably he or she should be British. But Europeans, even Latin Americans, will be given equal consideration. Exceptional ability in the chosen sport is essential, as is charisma. Most vices and eccentricities will be welcome to the selection board. Applicants need not put their names forward in writing. They will be informally notified of their appointment when their name(s) appear in headlines on the front page of every national newspaper. Clearly, the selection process is highly unpredictable. But here are a few guidelines to go by.

Rule number one, of course: you must be good. Intelligence and unusual behaviour help; but the most glittering mind, the most brazen gifts of self-promotion, the most utilising excesses with drugs, drink or the ladies will avail nothing, without outstanding skills to attract attention in the first place.

In some cases, huge talent on its own can be enough. Tiger Woods is the obvious example, mesmerising golf spectators and newspaper editors alike not so much because he is black, but because he is so phenomenally good. Or take Tim Henman at tennis, whose talent has yet to be fully measured. He does not swear at umpires, as does John McEnroe. To judge by what you read (or rather, don't), his off-court life is unblemished, unassuming and unremarkable. Were he to win at Wimbledon, though, he would generate more headlines than Tony Blair.

For those of only fractionally lesser talent, however, what cliché holds less media promise than a manager's hackneyed description of his charge as a "great ambassador for the game"? Notoriety is the lifeblood of celebrity. The front pages demand not perfect diplomats, but lousy, indiscreet and failed ones.

Eric Cantona, however, does not quite fit any of these categories. Clearly there is more to him than wonderful skills on the football field. Yet over the past five years he has engaged not in self-destruction but in resurrection, both of himself and of Manchester United. Equally clearly, as a citizen of the ancestral enemy from across the Channel, he hardly qualifies as an all-English role model. Yet, unless you hail from Leeds, the odds are that you love him. Why? Because of his mystique and aloofness, the dash of Gallic arrogance mitigated by his evident enjoyment at being here. But, no less, simply because he is different.

If Alan Shearer likened a run by Juninho to a sonnet by Keats, he would be laughed out of court. "Pure magic, Gary" is as close as is permitted to cerebral outpouring by our native footballing sons. But Eric le



Fame beyond the arena: (from left) Ian Botham, George Best, Muhammad Ali, Tiger Woods and Eric Cantona

Newspaper front pages demand not perfect diplomats, but lousy, indiscreet and failed ones

destroy the foe from Down Under had you forgiving his cavortings and braggadocio.

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penser can muse about becoming a film director (*nouvelle vague Mancunienne*?) and claim to find as much beauty in a pass by Pele as in a stanza by Rimbaud, and get away with it. Cross the Channel, and pseudo-intellectuals become the real thing. That is the other comfort provided by Cantona. We have taken a Frenchman, no less, to our hearts. Who can call us blinkered Europhobes?

The gap he leaves is therefore huge. But alongside that of one sporting immortal, it pales. The halcyon years of Muhammad Ali were before today's supercharged cocktail of sport, money and media. Ali, of course, did not need it. He possessed everything required for sporting celebrity, and more. His professional skills were luminous, but his mind outside the ring was as fast as his feet and hands in it. By choice, and by skin colour, he was pushed to the centre of the controversies of his age: "I ain't got no quarrel with them Vietnams."

In Ali, self-promotion fused with promotion of the cause. Yet he loved his sport to an excess that was to destroy him.

If Cantona's appeal is complex, Ali's remains more complicated and even greater. He was a black radical who challenged a white government – but came to be loved by that very same establishment, anxious to atone for its sense of racial guilt. Today the tragic ravages of Parkinson's disease only make him more compelling.

The sports celebrity has transcended not just his sport, but all sport. One can only guess at the role a healthy and articulate Muhammad Ali – not the pathetic figure we prayed would not fall as he climbed to light the Olympic

flame in Atlanta – might have played in the quest for racial healing in America and beyond.

Today, though, he is a spent force, and now that Cantona has departed, the celebrity stage is oddly vacant. On this side of the Atlantic at least, Michael Jordan doesn't resonate, while the Gascoigne star is fading. With his recent pointed criticism of President Clinton for racial pandering, young Tiger is showing serious promise of celebrity beyond the sports pages – but not quite yet. The shift to the "New News" of celebrity and scandal from the "Old News" of Cold War, ideology and the rest, means the bar to be cleared in the leap from the back pages to the front has been lowered. Football, central as never before to national life, is the natural source of new material, but somehow Zola, Juninho and the rest of the foreign legion don't fill Cantona's boots, and the vacancy exists. Probably, however, not for long. Like nature, celebrity abhors a vacuum. Just watch the front pages.

The voice of the streets is worth hearing



Andreas Whittam Smith

'The Big Issue' runs strong campaigns, outsells 'The Economist', owes nothing to market research and, best of all, it's a good read

Just recently I came to the conclusion that *The Big Issue*, which I regularly buy on the street, is an excellent magazine which I would rather read than *The Economist*, *The Spectator*, *The New Statesman* or *Time Out*. It describes itself as "Coming up from the streets" and its reporting lives up to the claim. *The Big Issue* interviews people who, whether in or out of work, whether living in their own homes or homeless, are struggling to lead decent lives and it illustrates their hopes, their fears and their predicaments. We hear voices rarely recorded by conventional publications.

If I say that the magazine mounts strong campaigns, as it has in recent issues against the careless use of electric shock treatment on mentally ill patients in hospitals, then I am in danger of implying that the magazine is worthy but dull. Not at all. In a recent issue its opening pages ran straight from an A to Z on homelessness to a fashion piece on sunglasses to a feature on the underground author, Q, whose first novel, *Deadman*, was originally sold in serial form around London's clubs.

The Big Issue previews the coming week in music, clubs, film, books, performance, TV and art. It often publishes a half-page of "street poetry". And invariably, on its last editorial page, under the heading "Initiative", the magazine gives details of four missing persons, with pictures and mini profiles, and asks readers to support the National Missing Persons' Helpline. I also like *The Big Issue* for what it isn't. It is neither smart-alec nor sneering.

I am not alone. The magazine's weekly sales have reached 280,000; it thus easily outsells *The Economist* in the UK (108,000), *The Spectator* (56,000), *The New Statesman* (20,000) and *Time Out* (106,000). It carries consumer advertising, especially from the music industry,

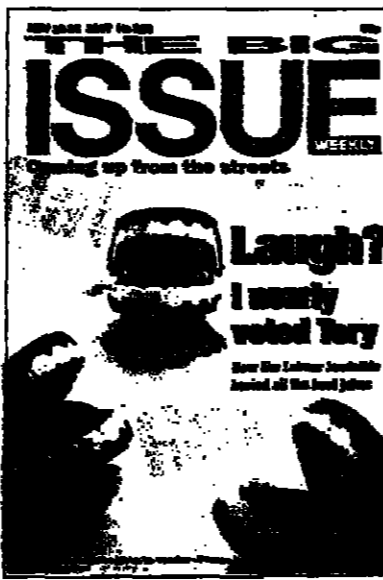
and recruitment advertisements from the voluntary sector. Moreover, *The Big Issue* is profitable. The world-wide sale of this is not a normal magazine sold in a conventional way. Indeed not. It is wonderfully peculiar.

It was founded in 1991 to give homeless people the chance to make an income by selling the magazine; it would be for them an alternative to begging. Actually there hasn't been a stranger reason for starting publication since *The Daily Telegraph* was founded in 1855 in pursuit of a vendetta by a Colonel Sleight against the Duke of Cambridge, commander-in-chief of the Army and Queen Victoria's cousin. In this case, Gordon Roddick of the Body Shop had seen *Street News*, a newspaper sold by homeless people in New York, and brought the idea back to London where John Bird turned it into reality.

The nature of the encounter between *The Big Issue* vendors and their customers is different from, say, buying an evening paper outside a railway station. In the first transaction, emotion is present. As an alternative to begging it works both ways. Undoubtedly, for some purchasers who are not yet used to the magazine and have not yet grown to like it, buying it is a charitable donation. A part of each week's sale must be accounted for in this way.

In my experience, on the other hand, the vendors are unfailingly polite and pleasant. A virtuous circle develops. You like the magazine; you buy it from the same person in the street; some words about the publication may be exchanged; the transaction is a good one. Without this benign process the magazine could never have succeeded.

The vendors have driven the sale of *The Big Issue*. Before selling the magazine on the street, many were labourers, but half have qualifications in trades from carpentry to catering; about 13 per



Vendors can gauge likely sales from the appearance of the cover

cent once held professional appointments such as psychologist, engineer, teacher or nurse, before losing their jobs and falling into homelessness. Not many sleep rough nowadays; most have temporary accommodation in hostels, squats or friends' places.

The vendors did not like the monthly publishing interval with which *The Big Issue* began. They found that sales petered out after about two weeks and likewise their income – they keep just over half the cover price. They expressed their views. Within a year the magazine began to publish fortnightly and then a few months later, in June 1993, it became a weekly. The vendors continue to make their opinion of the magazine's covers known. They can estimate their sale from its appearance.

Nothing would have been possible, however, without John Bird. He founded the magazine and edited it for a lengthy period. Now he is editor-in-chief and chairman of the trustees of the Big Issue Foundation. The foundation helps vendors to find accommodation, it locates and funds places for them on training and education courses, and it runs workshops designed to rebuild their self-confidence.

John Bird is an idealist who focuses on a single question: is what we are doing going to help homeless people? *The Big Issue*'s new editor, Becky Gardiner, formerly of *The Independent* on Sunday, has a parallel obsession – how to get ordinary people's voices heard.

To borrow a phrase from the Sixties, *The Big Issue* is a successful example of the counter-culture. For instance, it owes nothing to market research. It has not been carefully targeted at a nice market where, after much analysis, it is believed readers with spending power can be reached. The comments which the vendors make about each issue are of a different order to those derived from the carefully-balanced focus groups employed by conventional publishers. The magazine likewise owes nothing to its advertisers. It welcomes them and sells to them in a conventional manner, but it does not put them at the centre of its universe as do, say, women's and men's magazines.

But *The Big Issue* illustrates the most important rule of all: the success of a publication is ultimately determined by the character of its editor. What is sought is lucky coincidence between the beliefs, prejudices, ambitions, preoccupations and quirks of the editor and a sufficient number of readers. Editors have to be resolutely themselves. They must resist being programmed by business managers. Striking attitudes does not work. *The Big Issue* is authentic, it is true to itself – that is why I like it.



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surge cheers
ChancellorDiane Coyle
Economics Editor

There was welcome news for the Government yesterday from figures showing that the public finances were in surplus in the last month before the election. Buoyant tax revenues mean the Treasury will be able to reduce its target for this year's public sector borrowing requirement (PSBR) in the Budget next month.

In a speech to the Confederation of British Industry tonight, Gordon Brown will promise to be tough on public spending and borrowing. He will say: "In my first Budget I will be looking to the long-term needs of the British economy. I will set tough rules for government borrowing and spending. I will publish a plan for deficit reduction over the medium term."

Yesterday also brought a survey showing consumer confidence has surged to its highest

level for nine years in a bout of post-election euphoria. By far the biggest improvements occurred in Scotland and Wales, the two regions which voted all their Conservative MPs out of office.

The monthly survey of consumer confidence carried out by GfK for the European Commission shows a big jump in optimism about the economy and household finances in the fortnight immediately after the general election. The balance of optimism over pessimism was, at 6 per cent, the highest since August 1988.

Commenting on the results, Ben Sanderson of Nottingham Trent University said: "The latest survey suggests that New Labour means new confidence."

He said the figures indicated that consumers would probably spend rather than save the free share handouts from building societies this summer. Nearly a fifth said they planned big purchases during the next 12 months.

On top of this return of the feeling factor, the run of favourable economic news inherited from former Chancellor Kenneth Clarke continued yesterday.

New figures showed that government revenues exceeded expenditure by £36m in April. City experts had expected a shortfall of more than £1bn.

Although caution is needed in drawing conclusions from the first month of the financial year, the trends suggest that the PSBR for 1997/98 could be much lower than the £19bn forecast in last November's Budget.

The Treasury said special factors helped explain April's surplus. The sale of Ministry of Defence married quarters and the Housing Corporation loan book brought one-off reductions of £700m each. The switch to quarterly VAT payments on account accounted for up to £1bn of the £1.4bn in total VAT receipts compared with last April.

A spokesman said the Chancellor was determined to see significant further progress before he could be confident that the public finances were on a sound long term footing.

Even so, yesterday's figures diminished expectations that Gordon Brown will opt to raise extra taxes in his first Budget, due next month.

"A significant downward revision to the Treasury's PSBR forecast in the forthcoming Budget seems certain," said John O'Sullivan, an economist at NatWest Markets.

Excluding the one-off asset sales, central government spending was about 1 per cent higher than a year earlier, well on target to meet the tough public spending plans set out in the last Budget and adopted by the new Government.

Tax revenues were 12.5 per cent up on the year, well ahead of the Treasury forecast. Apart from VAT, income tax and national insurance contributions are growing strongly, reflecting rising employment.

There is clear evidence that the public finances are benefiting from the strength of the economy," said Jonathan Lynes at HSBC Markets. But he said borrowing remained too high for this stage of the economic cycle.

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Nikko warns on
Social Chapter

After the backlash over the planned windfall tax last week comes the first sign of disenchantment with the Government's pledge to sign up to the EU's Social Chapter.

The deputy chairman of the investment bank Nikko Europe warned yesterday that this could threaten future inward investment in the UK.

Haruko Fukuda said, in a speech to the Eurosceptic Bruges Group, that Labour's move would create uncertainty about the future business environment in Britain in the minds of Japanese investors.

"Japanese businessmen will therefore be watching very closely over the next few months to see whether the new Labour government takes measures either in the social security, or in the employment or in the corporate tax fields which make it less attractive for Japanese shareholders to invest in Britain rather than elsewhere," she said.

Echoing the caution of the last government, she said: "The philosophy of social Europe appears to be one which finds its ideal where all European industry is equally uncompetitive."

"I find it difficult to believe that such a social Europe would be attractive to foreign investors."

The worry was that the Social Chapter was an unknown quantity, with very little legislation actually passed under its auspices so far, Miss Fukuda said.

It was a "bulging pipeline of unspecified employment legislation."

In addition, the Labour Party remained an unknown quantity to Japanese investors.

Miss Fukuda said: "Signing up to the Social Chapter is a reversal of the hard-won radical change in the business culture in the UK of the past 18 years which has been so clearly recognised and admired by the international business community."

Board and pension fund trustees go to court over way £62m surplus was divided



Gathering support: Pensioners Reg Mayes (left) and David Laws, who brought the case against the National Grid

Chris Godsmark
Business Correspondent

A landmark ruling by the pensions ombudsman requiring National Grid to repay £46m to its pension fund included an "astonishing proposition" which would prevent the company from ever reducing its contributions, the High Court was told yesterday as the company began its appeal against the judgment.

Peter Crampin QC for the Grid said if the ruling were enforced it would mean the company would carry on accumulating huge surpluses in its fund without being able to adjust company contributions.

He said the Grid had previously raised its contributions to cover a deficit in the scheme and was entitled to set aside part of

National Grid fights
ombudsman's ruling

the surplus to cover future company liabilities.

The court heard details of discussions between the Grid's board and its pension fund trustees after the £62.3m surplus was identified following a valuation by the actuary Bacon and Woodrow in 1992. In April 1993 the trustees had called for the cash to be divided equally between the company and the pensioners, but were overruled by the board. The Grid's chosen option was to give 30 per

cent of the surplus to pensioners in enhanced benefits and allocated the rest to the company, partly to help fund early retirement costs from its redundancy programme.

If the pensioners and the ombudsman defeat the appeal it could leave the privatised electricity companies with a bill of up to £1bn. A further valuation of the pension schemes was carried out in 1995 which identified another large surplus.

Worst hit would be National

Power, the generator, which could be asked to pay back as much as £200m, while Eastern Electricity has confirmed its liability would be £75m. National Power is due to bring its own pre-emptive court case later this year.

The court was packed with Grid pensioners for the hearing including David Laws and Reg Mayes who brought the case. At one stage the ombudsman, Dr Julian Farrand, appeared in the courtroom but was unable

to find a seat. Dr Farrand has declined to be represented. Flanked by supportive pensioners carrying banners with the words "National Greed" Mr Laws claimed the case would clarify the rights of pensioners over fund surpluses.

The ombudsman had said the rules of the Electricity Supply Pension Scheme, the umbrella fund, prohibited payments to the employer.

However, Mr Crampin said in certain circumstances they could be allowed, including cases where the surplus was used to pay for future benefits.

"Where a surplus has been identified that surplus is available to pre-fund employer contributions," he said.

The case continues today, and is expected to last a week.

BT and Sky broaden digital alliance

Cathy Newman

Rupert Murdoch's BSkyB is bolstering its bid for digital terrestrial television by bringing in British Interactive Broadcasting to provide interactive services. The move has raised new fears about Sky's growing potential to dominate Britain's digital television future.

British Digital Broadcasting, the consortium of BSkyB, Carlton and Granada which is bidding for the digital licence,

announced yesterday that it was in "formal talks" with British Interactive Broadcasting, in which both BT and BSkyB have a stake, about offering interactive services.

If British Digital Broadcasting succeeds in its digital terrestrial licence bid, the new link would give BT a back-door into terrestrial television via a powerful alliance with BSkyB. The business union of the two giants - BT and BSkyB - is causing concern among industry regulators.

While analysts were not surprised by yesterday's news, it did increase pressure on British Digital Broadcasting's only rival, Digital Television Network, which has based much of its bid for a digital terrestrial licence around the quality of its interactive offering.

British Digital Broadcasting is battling hard to persuade the Independent Television Commission, the industry regulator, that its services have as much potential for interactivity as

those proposed by Digital Television Network.

Both Digital Television Network, which is owned by CableTel, and British Digital Broadcasting have been quietly attempting to address any weaknesses in their bids before the Independent Television Commission makes a decision on the licences in the next few weeks.

Earlier this month, Digital Television Network strengthened its programming proposition by announcing that United

News & Media would take a 30 per cent stake in it if it won a digital terrestrial television licence. United controls the Anglia and Meridian ITV franchises.

While British Digital Broadcasting has claimed United's role in the Digital Television Network offering constitutes a "material change" to the bid, BDB's talks with BIBC are unlikely to fall foul of the ITC as the group's initial licence application mentioned that interactivity may in due course be provided.

Byatt questions regulation plans

Chris Godsmark

Ian Byatt, the water industry regulator, set himself on a collision course with the Government yesterday over Labour's long-term plans to shake up utility regulation. He also said his next price review could not be conducted independently of the windfall tax on the privatised utilities, to be introduced in the next Budget.

Speaking after the Water Summit in London, which brought together water company chiefs and environmentalists to hear a 10-point plan on leakage and resource management, Mr Byatt questioned whether Labour's plans to cream off any excess profits from privatised utilities each year could be made to work.

The final proposals for utility price regulation outlined before the election envisaged retaining the so-called RPI-X formula based on inflation, but sharing excess profits between customers and shareholders.

"My approach has been a flexible response within certain principles. I'm quite doubtful

about whether a rule could be made to work. The present system works quite well," he said.

Questioning how quickly what he described as "formulaic rules" could be implemented retrospectively each year, Mr Byatt said he preferred his own voluntary system for companies which failed to meet investment targets implied in their price controls.

Several water companies were this year asked by Ofwat,

the water watchdog, not to raise prices by as much as allowed in their price regimes from last month. Most, including Severn Trent, North West Water and Yorkshire Water, agreed to comply although Thames Water refused to accept the voluntary arrangement.

Since privatisation the 10 water and sewerage groups have been allowed to raise bills to cover the massive investment backlog, but have frequently been

attacked for failing to spend enough.

Mr Byatt also said his next price review, brought forward from 2000 to 1999, could not be carried out in isolation from the windfall tax, which he said was one of several issues which needed consideration. "They've said they want to consider profit sharing. In the meantime Gordon Brown wants a lot of big issues to talk through," he explained, emphasising his statutory duty to ensure water companies were properly financed.

Mr Brown, Chancellor of the Exchequer, has pledged to consult industry regulators before levying the tax. However Mr Byatt said he had received no request from the Treasury, despite the possibility of a June Budget.

Mr Byatt is not the first regulator to question Labour's utility proposals. Clare Spottiswood, the gas regulator, has criticised the principle of the windfall tax, arguing her latest price proposals for British Gas were designed to wipe out any excess profits from the past.



At the summit: The regulator, Ian Byatt (left), and Michael Meacher, Environment Minister

Glaxo profits hit
by strong pound

Sameena Ahmad

Glaxo Wellcome said yesterday the strength of the pound could cut as much as 5 per cent off the pharmaceutical giant's profits this year. Although Glaxo's sales rose 10 per cent in the first 10 months of the year at constant exchange rates, they were unchanged when converted to sterling.

In his final address as chairman to the annual general meeting, Sir Colin Corness said: "If exchange rates were to remain at their present level for the rest of 1997, the adverse impact on earnings for the whole year would be around 5 per cent."

However analysts were unfazed, saying the impact of sterling was anticipated and they were not changing their forecasts. Followers also were pleasantly surprised that Glaxo's sales growth, excluding ulcer blockbuster Zantac, which comes off patent this July, was 15 per cent in constant currency. They said

Zantac's sales also fell less fast than anticipated over the period, declining by 7 per cent. One analyst said: "Fifteen per cent underlying sales growth is first class. That puts Glaxo in the same league as players like Merck, Pfizer and SmithKline."

However in a depressed market, the group's share price fell 2.5 per cent to £12.51.

Also at the meeting, Sir Richard Sykes, deputy chairman and chief executive, confirmed to animal rights activists that the group was no longer awarding business to the Huntingdon Life Sciences drug testing group. This followed a damning undercover television programme showing some of Huntingdon's employees mistreating dogs.

Sir Richard said: "There is no place for this behaviour in biomedical research. After the programme we decided not to place further contracts with the company. We await a Home Office report before we decide whether to continue business."

New Interflora
board refuses
to budge

Chris Godsmark

The new directors running Interflora will tell the organisation's 2,600 members today that they are staying in the job after receiving positive legal advice from a barrister.

As turmoil continued to grip the UK's largest flower delivery organisation yesterday it also emerged that the new Interflora board has suspended the former company secretary and decided to close a wholesale flower subsidiary.

A sweeping review of the business, instigated after the vote 10 days ago to throw out the previous 11-strong board, has also uncovered advanced plans to change Interflora's status from a mutually owned organisation to a fully fledged company.

The barrister's opinion, delivered to the new board's solicitor yesterday, is understood to confirm that the replacement directors do not have to comply with requests for a postal ballot of the entire membership.

A petition of more than 400 florists sympathetic to the old board was delivered to Interflora's offices last Friday, asking for a postal vote on the reinstatement of the directors.

In a further twist, the petition did not call at the same time for the removal of the six new directors. A source close to the replacement board said the petition would therefore mean combining the two boards. Such a move was prohibited by Interflora's articles of association, which provide for no more than 11 directors at any one time.

Advice from the barrister was very positive. Under the

articles they cannot have another 11 directors. They're asking for something they cannot have," said the source.

The original meeting at Warwick University saw some 1,000 members narrowly vote to dismiss the old board, led by chairman David Parry, who then called for a full postal ballot. Mr Parry said he will consider taking legal advice of his own if the new board, led by Bristol florist Geoff Hughes, refuses to comply.

While the legal argument raged, the new board announced the closure of Interflora Flowers, a wholesale delivery offshoot set up three years ago to sell flowers to individual member florists. Eight jobs will go in the process.

Interflora said the business had been consistently in the red, losing £12,000 in January alone.

Separately it also emerged that Brian Ward, the former company secretary, had been suspended from his full-time job at Interflora last Friday after disagreements with the new board. Mr Ward had resigned as company secretary after the Warwick vote, but remained a staff member.

STOCK MARKETS					
Index	Close	Day's change	Change(%)	1996/97 High	1996/97 Low
FTSE 100	4645.20	-48.70	-1.0	4693.90	4056.60
FTSE 250	4910.40	-15.30	-0.3	4729.40	3489.40
FTSE 350	2251.50	-20.60	-0.9	2272.10	2017.90
FTSE SmallCap	2211.45	-5.34	-0.2	2274.20	2178.22
FTSE All-Share	2211.91	-19.07	-0.9	2230.98	1989.78
New York	7205.80	+11.13	+0.2	7333.95	5032.94
Tokyo	20489.75	+189.02	+0.9	20489.75	17303.85
Hong Kong	14108.82	+46.45	+0.3	14153.58	12055.17
Frankfurt	closed			3604.55	2848.77

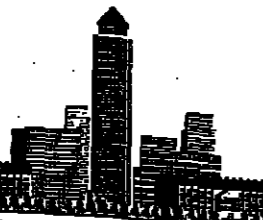
Source: FT Information

INTEREST RATES					
Short sterling			UK medium gilt		
1 Month	1 Year	3 Month	1 Year	3 Month	1 Year
UK	6.16	5.87	7.09	7.09	7.15
US	5.88	6.22	6.99	5.41	6.90
Japan	0.43	0.72	2.46	2.31	6.85
Germany	3.12	2.91		6.51	6.50

CURRENCIES					
Sterling			Dollar		
Yesterday	Change	Year Ago	Yesterday	Change	Year Ago
\$ (London)	1.6405	+0.0001	1.5157		
£ (New York)	1.5385	+0.15	1.5135		
DM (London)	2.7888	+2.01p	2.3132		
¥ (London)	194.112	-10.084	161.887		
₹ (London)	95.3	+0.5	84.4		

OTHER INDICATORS					
Oil Brent \$			RPI		
Yesterday	Day's change	Year Ago	Index	Latest	Yr Ago
Oil Brent \$	20.32	+0.75	17.68	156.3	+2.40c
Gold \$	341.75	-2.5	391.05	109.7	+2.80c
Gold £	208.56	-1.67	258.66	107.0	+2.50c
			Base Rates	-6.25pc	6.75

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COMMENT

Tax and benefit is a big, big subject. Whole libraries have been written on it, many hundreds of people have devoted their lives to researching it. But no government has ever managed to get to grips with it.

Maybe a businessman can solve this problem

Appointing businessmen to head up the various task forces Labour is setting up on the big, burning issues of our time must seem like a bit of a betrayal to those still hankering after the ways of old Labour. Gone are beer, sandwiches and overalls. In comes chardonnay, canapes and lounge suits (preferably Armani or alternative designer label). But it is also a clever move, not just because it helps bind big business into the new administration, but because it might, just might, help the Government find solutions as well.

Take tax and benefit, where Martin Taylor, chief executive of Barclays Bank, was yesterday appointed to head up the inter-departmental task force. This is a big, big subject. Whole libraries have been written on it, many hundreds of people have devoted their lives to researching it. But no government has ever managed to get to grips with it.

agreement and knocking heads together, moreover, is generally learnt within the hire and fire, faintly military environment of a big organisation. Public life, with Parliament and an electorate to answer to, is an entirely different ball game.

Nonetheless, applying the businessman's single-minded approach to the problem might help. It is not, after all, Mr Taylor's brief to decide on policy. His is the more technical one of bringing rational analysis to the problem, helping to devise a range of different solutions from which ministers can choose. Furthermore, he comes at the issue like a company doctor, unimpaired and uninfluenced by the past and all its baggage. As every businessman knows, there are always hundreds of reasons, most of them very good ones, why something cannot be done. Mr Taylor's task will be to help find ways of overcoming them, which is not so very different, when you think about it, to what he does already.

Brown's audit could be more than a gimmick

What a splendid picture of economic health yesterday's figures for government borrowing present. Strong growth is boosting tax revenues above the cautious Treasury forecasts. Its target for the year looks like being far too pessimistic. If the previous lot were still in power, they would be crowing about it, with some justification.

But before concluding that everything is hunky-dory with the public finances, we should remember that the outlook for the PSBR also depends on continuing to meet tough spending plans. Though not impossible, the catch with these plans is that they imply a progressively tighter squeeze on public services for which demand grows over time, especially health and education.

The Government has promised to address this problem by setting clear priorities in spending. "Bad" spending on unemployment and other benefits will make way for more "good" spending on health and education. That's the idea, anyway. Gordon Brown's plan for an audit of the government's books and his promise of tough new rules in tonight's speech to the CBI to police spending have to be seen in this context. In one sense, it is just a gimmick. There is already plenty of information about the public finances and we do not need an independent audit to make a reasonable assessment of the underlying position.

However, such an audit, if repeated on a regular basis, might come to serve a second, as yet unthought of purpose - restoring taxpayers' trust in what the government is doing with our money. The reason there is a long-term, structural hole in the budget is that we have become increasingly unwilling to fund greater expenditure. Fiscal policy has been cynically linked to the electoral cycle, while the long-term failures of welfare spending have become all too clear. Tax cuts came to seem a political necessity, while the spend-

ing juggernaut rolled on for too long. Tax and spending have become uncoupled.

One way of looking at Gordon Brown's move, therefore, is as a necessary prelude to any future attempt to increase spending. Just as the Bank of England's independence will build credibility in monetary policy by putting it at one remove from political influence, an audit of the public finances might help restore credibility in fiscal policy.

Boeing merger is none of Europe's business

The dispute between Europe and the US over the proposed Boeing/McDonnell Douglas merger has been simmering along barely noticed since the deal was announced last December but it is coming to the boil now that Karel Van Miert, the EU Commissioner for Competition, is preparing to send his statement of objections winging across the Atlantic.

What, you might wonder, has a merger between two US aircraft makers that will actually leave them with a smaller market share than Boeing had on its own 10 years ago got to do with Brussels?

The answer is that Mr Van Miert's writ runs wide. He has analysed the figures and concluded that the deal clearly falls foul of European merger regulations.

At this point it is necessary to recall a little history. The manufacture of large commer-

cial aircraft has been a running sore between the US and Europe for as long as anyone cares to remember. Certainly, in any event, since Airbus Industrie, Europe's answer to US hegemony in this area, began to win orders in Boeing's backyard.

Now that Airbus is limbering up to become a fully commercial entity - with the result that it may start to achieve Boeing-style economies of scale and manufacturing efficiencies - Mr Van Miert smells another plot by the US to reassert global domination in the shape of the exclusive long-term supply deals Boeing is stitching up with its airline customers. The reality, however, is that the carriers Boeing has so far signed up were never big customers of Airbus anyway. Those that are - and indeed those that are not, such as British Airways - will always put healthy competition between two suppliers ahead of sweetheart deals with just one.

Mr Van Miert ignores this point. He also ignores the wider ramifications for EU-US trade as his comments become more bellicose. How can Europe lobby effectively against such pieces of international trade vandalism as the Helms-Burton Act when Mr Van Miert is playing into the hands of those US senators who spot political motivation. The anti-trust issues raised by the Boeing-McDonnell merger, such as they are, should be left to US regulators alone. Beyond their shores the markets can be relied on to regulate Boeing's behaviour far more effectively than Mr Van Miert.

Warning on sterling hits BA shares

Michael Harrison

British Airways shares fell sharply yesterday as the airline warned that the strength of sterling could knock more than £100m off its profits this year.

The warning, combined with signs of mounting industrial unrest among BA staff and a lack of any firm news on its transatlantic alliance with American Airlines, took the gloss off another record performance last year as pre-tax profits reached a new peak of £640m.

Sir Colin Marshall, BA's chairman, said it was a source of frustration that the tie-up with American was still awaiting approval from Whitehall, Washington and Brussels almost a year after it was first unveiled.

Both Sir Colin and BA's chief executive, Bob Ayling, contrasted the delays with the way Lufthansa and United were forging ahead with their Star alliance and said that it was essential for the partnership with American to be approved so the two airlines could compete on an equal basis.

However, Mr Ayling gave little indication that BA was close to getting the green light from the new President of the Board of Trade, Margaret Beckett, saying merely that BA was "picking up the threads" with the

new Government in the expectation that a decision would be reached with all due despatch.

Last year's 9 per cent climb in profits was struck after BA took an exceptional charge of £127m to cover redundancies resulting from its business efficiency programme under which BA has so far identified savings of £600m out of the target of £1bn. At the same time it wrote £125m back into the profit and loss account after revaluing its stake in US-Air at its original cost.

The sale of the 24.6 per cent shareholding is expected to raise around £500m (£305m) against the £400m BA originally invested. At the operating level profits fell by £55m from £728m in 1995-96 to £673m last year. The reduction was largely due to a steep rise in fuel prices this year which cost BA £142m.

In the current year, the biggest drag factor on BA is likely to be the strength of sterling. Derek Stevens, BA's finance director, said that currency losses could run into three figures.

Mr Ayling all but ruled out following the lead of American and Delta in the US and signing an exclusive supply deal with Boeing to purchase all its aircraft on a long term basis - the source of trade friction between Europe and the US.

Investment column, page 22



Frustrated: Sir Colin Marshall is still waiting for word from Whitehall, Washington and Brussels. Photograph: Adrian Dennis

Strike threat grows despite £1,100 bonuses

Barrie Clement
Labour Editor

British Airways faces growing industrial unrest despite an announcement yesterday that its 58,000 workers were to receive a bonus worth at least £1,100 for UK employees.

As union leaders prepared for a strike ballot of 8,500 cabin crew over the imposition of new pay and conditions, it emerged that a further 8,000

ground staff were heading for a vote on industrial action over the planned sell-off of the airline's catering division.

Management were also accused of provoking employees by staging a "midnight raid" on union offices on BA premises at Heathrow and Gatwick last Friday in which they allegedly stole T&G documents before changing the locks on doors.

Bill Morris, general secretary of the union, accused the com-

pany of behaving like "a 19th mill owner" and he demanded the return of the missing papers.

Amid signs of anger among sections of the workforce, the airline announced a £94m payout to employees made up of an £89m share of the profits and 10 free BA shares each.

The bonus marked the tenth anniversary of the privatisation of the national carrier, which yesterday revealed record pre-tax profits of £640m.

The extra benefits are the equivalent of 3.3 weeks' basic pay - somewhat lower than last year's award which amounted to 3.9 weeks' wages.

Its decision to hand over 10 free shares was made because of the "efforts of employees in a particularly demanding year". Some union representatives, however, characterised the bonus as useful strike pay and said that it amounted to a simple bribe.

Guinness and GrandMet 'will have to sell brands'

Competition lawyers warned yesterday that the £24bn merger between Guinness and Grand Metropolitan was highly unlikely to be approved by regulators unless the two companies agreed to significant divestments.

They believe the enlarged group, GMG Brands, will be forced to sell leading brands in certain markets, particularly in the US. They dismissed the Guinness and GrandMet view that no disposals would be necessary as mere "bravado".

"Most companies go into a merger expressing confidence because if they say they are prepared to make divestments then the authorities will probably ask them to make even more," said

Competition lawyers see trouble ahead for the £24bn merger. Nigel Cope reports

David Aitman, head of competition law at Denton Hall. "I think they will probably get it through but not without pain."

Competition lawyers have identified two main obstacles that could disrupt the merger. The first is how the competition authorities choose to define the markets in which Guinness and GrandMet compete.

The second issue is the combined advertising spend of the two companies, which could act as a barrier to entry to rivals.

On market definition, Guinness and GrandMet have been keen to use the broadest possible measures to make their combined share appear relatively small. They say they have less than 5 per cent of the global spirits market. On a slightly broader definition, which strips out locally produced "hooch", they claim 10 per cent of the "accessible" spirits market.

However, precedents suggest that the European Commission could judge the merger on GMG Brands' share of particular spirits sectors in specific member states.

For example, in the £4.4bn merger of Kimberley-Clark and Scott Paper in 1995, the EC made it a condition of approval that the enlarged company sold certain brands because its share

of the toilet tissue, kitchen towels and handkerchief markets would have ranged from 50 to 75 per cent.

GMG Brands would have more than 50 per cent of the UK Scotch market and huge market shares in other spirits sectors in Spain and Belgium. "I would have thought there was a strong possibility that they [the EC] would look at the merger on a member state basis," said Mr Aitman.

Simon Polito, EC and competition partner at Lovell White Durrant, feels divestments might have to be made in the US, where GMG Brands will have around 75 per cent of the

standard Scotch market with brands such as Dewar's, Johnnie Walker and J&B Rare. He said the US authorities such as the Federal Trade Commission and the Department of Justice adopt a stricter analysis of market share concentrations than the EC.

The Guinness argument that Scotch, gin and vodka are not separate markets but all part of a broader spirits market in which the companies compete, is also discounted by lawyers. They point to precedents such as the £1.6bn Nestle-Perrier merger in 1992. In that case the two companies argued that they were competing not just in the

mineral water market but in the broader arena of soft drinks. The EC rejected the plea.

Asked yesterday whether these cases did not bode ill for GMG Brands, Tony Greener, chairman of Guinness said, "We obviously don't think so or we wouldn't be doing what we are doing."

However he declined to discuss individual markets. He also denied that the combined advertising spend of the two companies might represent a problem. Last year Guinness spent £597m on advertising and marketing, of which £332m was in the United Distillers spirits division. GrandMet spent a total of £1.2bn of which £427m was on its IDV spirits brands.

IN BRIEF

Greenalls to create 2,000 jobs

Greenalls, the UK's biggest independent pub group, expects to create more than 2,000 jobs with a £375m capital expenditure programme over the next two years. The group, which in March announced a shake-up of its managed pub operation to save £3.5m a year, said it expected to lift the number of its branded and concept outlets from around 360 to 500 by March 1999 under trading names such as Millers Kitchen, Henry's Table and Quincey's. Around two-thirds of the jobs will be part-time. Disposals this year are expected to raise around £60m, including 100 tenanted pubs and four hotels from the De Vere chain. The group reported underlying pre-tax profits up 12 per cent to £63.9m in the six months to March and is raising the interim dividend 7.7 per cent to 6.7p. Investment column, page 22

Stock Exchange tightens AIM regulations

The London Stock Exchange is implementing several changes to the rules governing admission to the Alternative Investment Market. Companies will now be required to disclose the name of anyone who has received fees or shares worth £10,000 or more in the 12 months prior to joining AIM. In addition, companies must undertake regular reviews of their actual financial performance compared with projections made in the AIM admission documents, with immediate notification of any material change in trading performance. The Exchange also said there would be greater emphasis on the specific responsibility of nominated advisers to satisfy themselves that a company was appropriate for admission to AIM.

Hitachi Credit to float in London

Hitachi Credit (UK) will be valued at up to £50m when it becomes the first Japanese company to float in London. The placing, due to take place in the summer, will raise between £15m and £20m for the credit finance company, part of the giant Japanese Hitachi conglomerate. Established in 1982, HCUK provides finance for plant and equipment, retail credit, contract hire and fleet management services and insurance. Pre-tax profits rose 34 per cent to £3.7m in the year to March.

US companies search for space in City

A survey of 10 US financial groups shows they are searching for a total of 1.4 million square feet of office space in the City of London, representing a possible 10,000 new jobs. Chesterton has surveyed institutions including Goldman Sachs, Andersen Consulting and Merrill Lynch and found that the Americans have aggressive expansion plans for the Square Mile. Goldman and Merrill both need 300,000 square feet while Credit Suisse First Boston and Andersen Consulting are looking for around 150,000 square feet and JP Morgan is looking for 100,000 square feet.

Visual Action buys MES for £23m

Visual Action Holdings is buying MES, the exhibition services provider, for a maximum of £23.1m. In addition, Visual Action is selling the film services division to Panavision for £37.5m. "The acquisition of MES extends the range of services we provide to the corporate meetings industry. Taken together the acquisition and disposal increase the focus of our operations and enhance the group's growth prospects," said Bob Ellis, chief executive of Visual Action. "We plan to invest the remaining disposal proceeds in developing our activities in the corporate meetings and broadcast video markets both organically and by further acquisitions."

Cattles sells stake in Rosebys

Cattles, the consumer finance group, has sold its remaining 23 per cent stake in Rosebys, the retailers of household textiles, for £23.1m, equal to 275p a share. The sale realises a profit of £15.7m before tax and expenses, and completes the disposal of non-core businesses begun in 1992. The sale had aimed to take advantage of a rare opportunity when it had been possible for a major stakeholder to sell. Eddie Cran, chief executive, said, "The consumer finance sector has fallen 5 per cent following reports of Government plans to curb high credit charges. However, the City believes any action to curb penalty charges levied by non-status lenders such as City Mortgage Corporation should not apply to home credit companies such as Cattles and the market leader, Provident Financial. Rosebys fell 2.5p to 297.5p and Cattles 3.5p to 311p. Investment column, page 22

BUDGETE

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Goldsborough begins homes sale

Sameena Ahmad

Goldsborough Healthcare, the nursing home group which last summer fought off a £77m bid from the UK's second-largest operator, Westminster Healthcare, is selling half its nursing home portfolio. A leak of the news, which forced Goldsborough to issue a statement to the Stock Exchange late yesterday, came on the same day as a US group confirmed it was buying the UK nursing home operator Quality Care Homes for £46.3m cash.

Both deals are evidence of rapid restructuring and consolidation in a sector plagued by profit warnings and depressed share prices, analysts claim.

The bid for Quality Care by US investment group Principal Healthcare leaves just seven nursing home players quoted on the UK stock market compared to 13 less than a year ago.

Part disposal of nursing home portfolio and cash bid for Quality Care herald consolidation of the sector

Andrew Richmond, a healthcare analyst from Collins Stewart, said: "I have been saying since 1995 that we'll see takeovers emerging in this industry."

Pat Carter, chief executive of Westminster Healthcare, said he thought there would be just a handful of major players left in the market in a few years.

The trouble with nursing homes, said analysts, was that too many companies tried to build too many homes in the 1980s, driven by exciting projections of growth in the number of elderly people needing professional care. At the time there was plenty of government money to pay for care, which led to explosive growth in the number of nursing homes. However the honeymoon

ended when local authorities were given control of nursing home funding in the early 1990s. Cash for admissions dried up and the number of occupied nursing home beds fell. With high fixed costs, the operators' profits came under pressure and share prices fell.

The difficulty of the sector was one reason that Goldsborough was exiting from nursing homes, said observers. The company has gradually reduced its dependence on homes, now around half of total profits compared 77 per cent at flotation in 1994, favouring instead its more predictable home care and hospitals businesses.

"They had taken the nursing home side as far as they could," said one top industry boss.

"They needed the cash to do something else."

Goldsborough, which owns around 31 nursing homes, said it was in early talks to sell some homes. However it is thought to be selling five in London and eight in the Midlands, through estate agents and auctions.

Bidderes are likely to be from the private sector. Goldsborough is thought to want to use the cash to buy private home care businesses. Allied Medical, which owns 65 outlets, though the group says it expects to sell its portfolio for asset value, observers worry that Westminster is now known to be in a strong position to offer a lower price.

Meanwhile US operators at-

tracted by the low valuations in the sector and maturity of their own market have been moving into the UK. Sun Healthcare has snapped up two quoted UK players, Apta and Ashbourne, in the past 12 months.

Observers see the move by Principal as the next stage. Principal will own Quality Care's 2,256 beds, but will not operate them, leasing most of them out to quoted UK tickler Tamaris.

Chai Patel, chief executive of the UK's biggest quoted private care firm, said: "There is a clear separation between the owners and operators of nursing homes in the USA, but not here. These deals allow operators to expand the number of homes they have without resorting to the City or banks. I think there will be much more of this kind of financing in the future."

THE INVESTMENT COLUMN

EDITED BY MAGNUS GRIMOND

Record profits but BA hits pockets of turbulence

British Airways discovered long ago that it takes more than another set of record profits to make its shares fly and yesterday was no exception. The market chose to disregard the 9 per cent climb in pre-tax profits last year to £640m, preferring to concentrate instead on the pockets of turbulence that BA is encountering.

First, however, the good news. The rise in fuel prices, which sliced £142m off profits last year, has gone into reverse allowing BA to factor in a gain of some £60m for the current year. Second, the economic outlook is good in most of BA's main markets, notably the US and UK, suggesting that it should be able to maintain, if not improve, on passenger yields. Third, the business efficiency programme is reaping returns at least in line with the airline's expectations. The measures announced so far will deliver £800m of the £1.1bn of savings BA is aiming to achieve by the turn of the century.

Now for the less good tidings. There is still no positive news on regulatory approval for the grand transatlantic alliance with American Airlines, while the strength of sterling could trim more than £100m from profits this year and industrial unrest is building up. Unions are now threatening to follow up the current ballot of cabin crew with another among catering staff.

Of these, the absence of any regulatory green light for the AA alliance is the most frustrating. It is now approaching a year since the partnership was first announced and the two airlines are still awaiting clearance in Whitehall, Brussels and Washington. Contrast that with the rather extravagant way that Lufthansa, United and their partner airlines chose to launch their grandiose Star alliance in Frankfurt last week. The betting remains that BA will get the necessary clearances. But the question is at what price, particularly with Margaret Beckett and her new team of ministers and special advisers around at the Department of Trade and Industry demonstrating little enthusiasm for the concept of national champions. The souring of industrial relations is a more ominous portent for BA, since the success of its cost-efficiency drive

hinges on its 58,000 workforce (up, incidentally, by 3,000 in a year) continuing to accept wage freezes and staff reductions along with the relocation or outsourcing of their jobs.

Bob Ayling, BA's chief executive, says there is no appetite for industrial action but until there is some positive news on the AA alliance, there may not be much investor appetite for BA either.

The shares, down 24p to 736p after a strong run, are hardly on an astronomical rating. Profits this year of £720m would put them on a forward multiple of under 14. Still, investors should wait for the turbulence to pass.

Greenalls set to spend more

Greenalls, now the biggest independent pub owner since taking over Boddingtons in 1995, was making much of its accelerating capital expenditure programme yesterday. This is set to grow from £175m this year to £200m in 1998, which spells good news for the 2,000 or more extra employees being taken on as the group develops its theme bars, ranging from Millers Kitchen for the family to Henry's Table steakhouses.

But the City remains unimpressed: after underperforming the market by 28 per cent over the last six months, the shares fell another 3.5p to 490.5p yesterday.

There were gripes over the interim results, with pre-tax profits up from £27.1m to £57.8m in the six months to March seen as a mere disappointment. Hoare Govett trimmed its full-year forecast by £5m to £162m as a result.

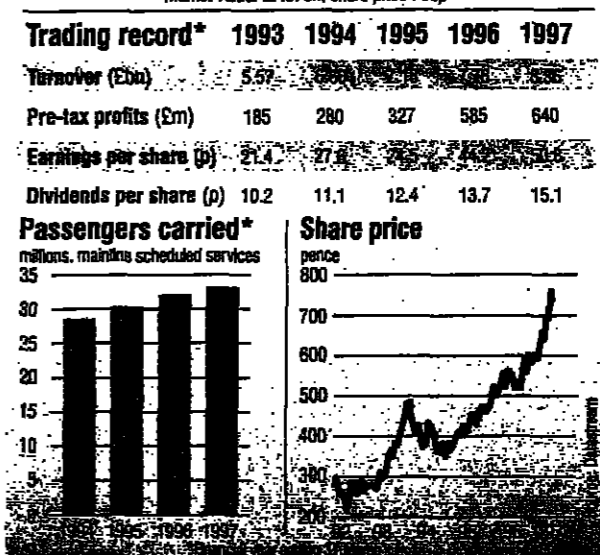
Even so, underlying operating profits up 14 per cent to £88.6m look comparable with highly regarded rivals Whitbread. Sales growth in the managed pubs and restaurants business ranging from 3.8 per cent in drinks to 20.5 per cent in slot machines looks at least as good and in some cases much better than Whitbread.

The plan is to take branded and "concept" bars from 360 to 500 over the next two years, while shifting 245 managed pubs to tenancies will maintain Greenalls' beer volumes. The group is the biggest customer of Bass, Carlsberg-Tetley and Whitbread, putting it in a strong position when contracts are renegotiated in September 1998.

The real problem is that, held back for at least a year by the takeover of Boddingtons, it is having to run to catch up with the likes of Whitbread, which has been investing heavily in its pubs for years. Gearing is still likely to be above 60 per cent next year, when the consumer boom may be looking a little mature. Greenalls was warning yesterday that trading in North-west England is currently difficult. Standing on a forward p/e of 13, the shares therefore look a hold.

British Airways: At a glance

Market value: £7.37bn, share price 736p



Cattles sell-off looks a sensible option

Cattles, the Yorkshire-based door-to-door credit group, will raise £23.1m from yesterday's sale of its remaining 23 per cent stake in Rosebys, the household textile retailer. In the short run that will reduce debt, although the group speaks expansively about significant opportunities in its core markets, with the prospect of the funds being reinvested over time.

Rosebys was one of the non-core businesses floated off in 1992, when it was valued at around £20m. Since then, the offspring has grown to a £120m company through successive acquisitions and rights issues, while Cattles' original post-flotation stake of 48 per cent has been diluted to the point where the next deal would take it below the 20 per cent level at which its profits can be equity accounted.

So despite being done at a near 8 per cent discount to the share price, down 2.5p to 297.5p, yesterday's deal looked sensible. In the latest year to December, the stake contributed

£2.02m to Cattles' total pre-tax profit of £33.9m and 1p to total earnings of 17p. The proceeds should reduce debt, which totalled £148m at the year end.

Shopcheck the door-to-door collection division is still the largest chunk of Cattles' business, but rapid growth in Welcome, the conventional loan business, and the factoring and leasing divisions has diluted Shopcheck's contribution from 96 per cent of the total profits in 1994 to 65 per cent last year. Group profits grew 40 per cent in 1995 and another 20 per cent last year. Even assuming a half million dilution from the disposal, analysts still expect profits to grow to £37.7m this year, rising to £42.3m in 1998.

The sector has been adversely affected by rumours of a Government clamp-down on weekly collected credit, but the industry is confident it will escape any such moves. Down 2.5p to 311p, the shares look fairly rated on a forward multiple of 17, dropping to 15.

CWC spends £50m on move to Mercury office

Chris Godsmark
Business Correspondent

Cable & Wireless Communications, the recently merged cable group, has settled its accommodation problems with a provisional deal worth more than £50m to take over the central London headquarters built for the Mercury phones network.

It has also emerged that the Cable & Wireless parent group, which built New Mercury House for its UK telephone subsidiary in 1989, took a £70m provision in its annual results last week to cover losses on the value of the office block. Details of the write-off were disclosed to analysts by Robert Lerwill, C&W's finance director.

Cable & Wireless Communications (CWC) also yesterday announced the appointment of a chief operating officer to work alongside Graham Wallace, chief executive. He is Greg Clarke, chief executive of C&W's mobile operation.

The option to take over the Mercury building agreed by CWC brings the demise of the Mercury brand and corporate structure a step closer. The CWC merger, completed last month, saw Mercury combined with three cable operators, Nynex CableComms, Bell Cablemedia and Videotron.

Some 500 managers are expected to lose their jobs over the next few months as the four companies move into the Mercury headquarters and restructure their administrative operations. CWC plans to launch a single brand name using the Cable & Wireless corporate identity by autumn.

C&W entered into a complex financing arrangement when it leased the building to Mercury in 1990. The £70m provision reflects the difference between the value of some £120m in the original deal and the potential purchase price for CWC, understood to be more than £50m. Mr Lerwill said the provision

covered the drop in property rental values during the recession.

Nicholas Mearns Smith, CWC's finance director, confirmed the group had agreed an option to buy out the building with C&W. "It's a substantial building and it's in the middle of London. We need some prestige office space for a company which has many large UK businesses as its clients," he said.

The headquarters was a source of friction between Mercury and its C&W parent. New Mercury House, directly opposite C&W's offices, was planned at the peak of the 1980s boom by Stanhope Properties, the troubled developer bought by British Land two years ago.

The deal caused controversy inside Mercury because Lord Sharp, the late C&W chairman, was also on the board of Stanhope. Lord Sharp, who died in 1994, did not vote on the decision to go ahead with the building.

Float to value Royalblue at £40m

Christopher Sharples, the former head of the Securities & Futures Authority and his partner, David Taylor, will be worth £8m on paper when Royalblue the software company they set up in 1982 is floated on the Stock Exchange next month, writes Clifford German.

The two partners between them hold about 40 per cent of the company, the management a further 25 per cent, and venture capital backers Advent has 20 per cent and 3i has 15 per cent. The flotation is expected to value the company at around £40m.

The shareholders will each

sell around 20 per cent of their shares by way of a placing, and the group will raise £10m in new money. The company was originally Intercom data Systems before being renamed last year.

The float is intended to raise the company's profile, and finance future business ventures. Hoare Govett is the financial adviser, sponsor and broker to the company. The company's turnover has grown by 50 per cent and profits by 184 per cent compound over the last three years. Profits reached £2.02m in 1996, on turnover of £11.68m.

Royalblue employs about 160 staff, based in Woking with

offices in London and New York. It has 450 customers, the largest of which accounted for 8 per cent of revenues over the last three years. The company is a market leader in supplying software products and services to three distinct and fast-growing markets according to the company's prospectus published yesterday.

Its products include fiducias, a training support system for dealers in international markets, Helpdesk which produces software for IT help desks and customer support systems and Rostwin, a computer telephony integration system.

Company Results

	Turnover £	Pre-tax £	EPS	Dividend
Marriage Health Group (p)	10.34m (8.17m)	3.28m (3.38m)	2.70p (2.95p)	1.25p (1p)
BA (p)	- (-)	640m (585m)	15.05p (13.65p)	15.05p (15.85p)
Greenalls (p)	557.7m (544.9m)	63.9m (57m)	16.94p (15.57p)	8.7p (8.22p)
Greenalls Holdings (p)	12.91m (11.92m)	368,000 (750,000)	0.67p (2.50p)	2.8p (2.04p)
Greenalls Pubs (p)	25.64m (20.27m)	4.21m (8.73m)	12.19p (12.58p)	5.2p (5.94p)
Paragon Cable (p)	- (-)	10m (8.2m)	11.4p (8.2p)	1.2p (1.1p)
RW (p)	46.96m (45.18m)	1.68m (1.32m)	6.3p (5.0p)	2.3p (1.8p)
SBA Industries (p)	16.25m (14.47m)	2.63m (2.25m)	15.8p (13.7p)	7.0p (6.0p)

(p) - Final (f) - Interim (m) - Nine months

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If Greenspan gets it wrong, Europe will feel the pinch

This week all eyes in the world of finance will be on Washington, where today the Federal Reserve Open Market Committee has its monthly meeting on interest rates. The immediate question it faces is whether to sanction another rise in US rates, for there has been considerable concern about the rapid growth of the US economy during the first quarter of the year.

The commentators are divided as to which way the Fed will jump, but the balance of opinion is that it will agree to a quarter per cent rise in rates. The argument for that is that though there is as yet little sign of renewed inflation, there is considerable pressure in the economy, particularly in the labour market: a falling unemployment rate and a rise in overtime hours. The low inflation, it is argued, is the result of past economic conditions and in particular the way in which rising demand for labour has coincided with rising job insecurity. The result has been that, so far, demand for labour has not resulted in rising wage pressures. But obviously this will eventually happen.

The argument against a rise this week is that the rapid growth of the first quarter seems to have eased a bit now. Given the low inflation, a rise in rates may not be needed – or in any case can wait until there is evidence that it is.

Now, one outside the Fed has any idea which way it will jump, and Alan Greenspan has been careful in recent weeks to give his usual contradictory signals. In any case while it may be of great interest to aficionados of monetary policy, whether US interest rates move by a quarter per cent this month, or next, or the month after, is not really going to get people dancing in the streets.

That said, however, US monetary policy over the next few months does have a global significance. It looks as though the dollar may have reached a turning point. Having climbed steadily since the spring of 1995, it seems to have turned down. If that is right, the pace at which the Fed increases interest rates will have



Hamish McRae

If the dollar moves even halfway back towards its trough, the entire continental economy would be in difficulty

an important impact on the profile of the coming dollar decline.

We do not, of course, know that the dollar has indeed turned. But the market seems to have taken to heart last month's Group of Seven statement that the currency ought to stabilise, and the most recent decline against the yen has broken the upward trend line. For people who follow charts, this is apparently significant: while no one is suggesting that the dollar/yen rate might go back to the Y80 region it hit two years ago, a rate in the Y105-110 range is now considered perfectly plausible.

Some more conservative forecasts for the dollar, against both the mark and the yen, are shown in the chart. Deutsche Morgan Grenfell, which produced them, reckons it is unlikely that the dollar will weaken substantially in the next few months, for a sustained decline would add to inflationary pressures in the US and so would be met by a policy tightening. In fact, in the short-run it expects the dollar to recover a bit. But it does expect some modest fall next year, as the chart shows.

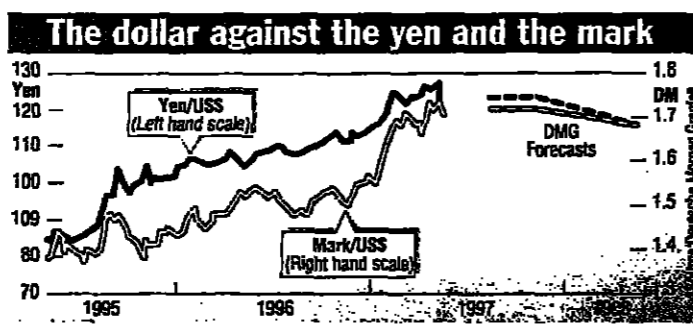
If that is what happens, everything is fine. Or rather things are fine in the sense that currency rates will not damage the world economy. Stability between the three main currencies is particularly important at the moment, for were the dollar to fall too fast, that would undermine the economic recoveries of Japan and Germany, both of which remain fragile. The dollar at present levels may still seem cheap in terms of its purchasing power parity – on those grounds it could rise another 10-15 per cent without looking overvalued. But a cheap dollar is appropriate because the US still has a significant structural current account deficit. If you believe that there ever can be a "right" rate for the dollar, it is probably just about there now.

Looking ahead, though, there are risks. One of these is that the dollar will weaken too quickly. This would be likely to happen were the Fed seen as being tardy in the pace at which it increased interest rates. The whole continental recovery, insofar as it exists, is driven by exports: domestic demand in France, Germany and Italy is flat, as the retail

sales for those three countries show. In all three countries the year-on-year change in retail sales is minus 3-4 per cent, a much bigger decline than at any stage here in the UK during the last recession. At the present exchange rates, continental European exports are competitive on world markets. If the dollar moves even halfway back towards its trough of two years ago, they would be back in some difficulty. Since there is nothing else to boost demand, the entire continental economy would be in difficulty too.

So if, following today's meeting, there is no change in US rates, watch the foreign exchanges to see how the dollar reacts. Serious weakness of the dollar in the coming months is bad news for Europe. The opposite danger also exists. The turn in the dollar has been largely the result of words: statements by the G7 and the Japanese authorities, maybe backed from time to time by central bank intervention in the markets. Were the markets to decide that this was a bit of a mistake – that, for example, a mark due to be converted into a weak euro is not a currency to hold – then we could be back to an overvalued dollar next year. Were the Fed to continue pushing US interest rates upwards through this year, the upward pressure would be all the greater. This would help Europe's recovery and further fuel Japan's, but in the long term, damage to US competitiveness carries dangers. At some stage the US boom will end. Can it achieve a soft landing, or will that be a hard one?

The central point here is there is always the danger that the Fed will make a mistake. Dr Greenspan has achieved mythical status for managing the long, non-inflationary US expansion. That is fine, but it is also alarming for the success is not entirely his (or the Fed's) work. There is considerable complacency in financial markets at the moment. But we are moving into a period of rising world interest rates – always a difficult part of the cycle. Among the brokers, UBS is worried about this complacency, and I think it is right to be.



London's answer to the International Trade Centre

PEOPLE & BUSINESS



Estate agent Lord Alexander is looking for tenants

Goodbye NatWest Tower, hello International Financial Centre. Lord Alexander swapped his role as NatWest's chairman for that of property agent yesterday as he sought tenants for the newly refurbished tower at the heart of the City.

The bank has spent £75m doing up the highest tower in the City (now dwarfed by the Canary Wharf tower, inside which I now pen these words). NatWest has moved to new premises, following the last IRA bomb, and is instead offering a custom-designed service to tenants.

The floors of the 1980s tower, at only 9,000 square feet, are tiny in comparison to the football-pitch-sized trading floors that most big City houses want these days. Instead Lord Alexander is offering small "executive" units right at the centre of the action. And you get a swimming pool, sky-high restaurant and floor-level café into the bargain.

Lord Alexander tells me they had "loads" of suggestions for new names for the place, with Millennium Tower a strong contender. But he thought that might date. "We had in mind the International Trade Centre in New York. This sounds similar, which might strike a chord with our American friends."

One other thing. Lord Alexander says the design of the tower is "absolutely, categorically not" based upon NatWest's triangular logo.

One of the best-known retail analysts in the City, Nick Bubb, has surprised everyone by upping stumps at MeesPierson to join Société Générale Strauss Turbail, the same outfit that has just hired Nicola Horlick to build up its asset management side.

There the similarities end, I am happy to say. Mr Bubb is described by one colleague as "tall, angular, softly spoken, quite a good chap really". Mr Bubb will replace Robert Smith, who retired from SocGen Strauss Turbail earlier this year. At the moment Mr Bubb is spending a month's gardening leave at his home in Richmond, Surrey. Mr Bubb is a former number

have still had a lot of people from both occasions [CBI and Mansion House] being suits."

An air of there is a stirring of rebellion from the City die-hards? Mr Pfaff says, "There are a lot of traditionalists. People enjoy these occasions and dressing up."

Overall, he adds, Moss Bros's business is 5 per cent up on last year. Has he detected any other public events where formal attire is being dumped? "No. We're hiring out suits to a wider spectrum of the public than ever, especially for weddings."

Mr Pfaff gets decidedly saffly about so-called "dressing down days" which have been imported by American businesses. "On the other hand, we sell a lot of casual stuff too." Don't go dumping your Moss Bros shares just yet.

George Staple courted enough controversy when he was director of the Serious Fraud Office, but now he's back at his old City law firm Clifford Chance they've put him in charge of the "contentious practice".

So how contentious are you going to get now, George? "It's just the department that deals with anything to do with disputes and litigation," he explains.

His fraud experience will come in handy. "Fraud is the scourge of business nowadays, I'm afraid." So will his new pay package be far faster than his SFO salary? "Not by huge multiples, no. We're not talking mega-bucks."

Shame. Especially so, since his new office is only one-third the size of his old SFO one. "I used to have meetings in my old room, which don't here," he says.

And what if – horrors – he were to find himself representing a client who had a go at prosecuting when he was at the SFO? "I wouldn't be involved in the case if it happened. I think it's most unlikely. The firm doesn't do work for people accused of fraud, rather the big financial institutions which are the victims of fraud."

John Willcock

Foreign Exchange Rates

Currency	Spot	1 month	3 months	D-Mark	Spot	1 month	3 months
US	1.2395	9.7	26.25	100	0.5958		
Canada	2.2477	85.50	121.75	127.5	30.29	85.54	
France	2.7972	79.73	21.33	110.75	35.36	76.72	
Germany	9.4829	91.00	73.75	100.00	32.39	23.29	
Italy	2.0432	9.25	20.42	155.25	20.510	16.72	
Japan	150.38	102.10	310.24	163.9	35.35	167.165	
UK	1.4320	28.26	30.85	143.3	14.5	47.49	
Belgium	57.726	18.13	50.44	35.239	85.62	245.215	
Denmark	10.629	220.230	830.730	5.294	129.07	330.340	
Netherlands	31.343	58.82	271.22	15.473	10.24	10.24	
Ireland	10.729	3.2	6.2	15.24	2.5	15.10	
Norway	116.43	330.280	950.590	7.054	163.163	453.402	
Spain	235.58	110.11	82.59	163.163	100.00	54.185	
Sweden	12.252	340.90	750.640	7.054	106.81	325.275	
Switzerland	2.3403	97.90	291.279	14.233	50.47	143.143	
Australia	2.7169	1.3	2.427	7.319	1.5	22.27	
Hong Kong	12.88	80.39	162.37	7.319	9.12	22.27	
Malaysia	4.0215	0.0	0.0	3.970	21.24	62.86	
New Zealand	2.2703	0.0	0.0	3.970	31.33	15.24	
Saudi Arabia	6.154	0.0	0.0	1.4	5.10	16.94	
Singapore	2.3595	0.0	0.0	14.343	18.15	60.55	

Other Spot Rates

Country	Sterling	Dollar	Country	Sterling	Dollar
Argentina	163.86	0.9936	Nigeria	140.454	87.700
Austria	16.888	12.059	Oman	0.6310	0.0350
Brazil	1.7895	1.0675	Pakistan	86.008	40.287
China	15.990	8.259	Philippines	43.299	2.655
India	5.7474	3.4039	Portugal	237.09	7.762
Indonesia	3.6495	5.1495	Qatar	5.0622	36.395
Iran	3.6812	8.9219	Russia	57.950	57.950
Greece	4.4579	27.0260	South Africa	7.3226	4.680
Italy	5.6859	36.7390	Taiwan	45.2266	27.700
Norway	0.4629	0.0222	UAE	5.6225	36.735

Forward rates quoted high to low are at a discount; rate quoted low to high are at a premium.
*Dollar rates quoted as reciprocals.
For the latest foreign exchange rates call 0891 123 3033.
Calls cost 50p per minute.

Interest Rates

UK	Base	Germany	Discount	US	Prime	Japan	Discount
France	3.5%	France	5.0%	France	5.0%	France	5.0%
Italy	7.5%	Italy	4.75%	Italy	4.75%	Italy	4.75%
Netherlands	2.70%	Netherlands	3.25%	Netherlands	3.25%	Netherlands	3.25%
Denmark	4.75%	Denmark	5.0%	Denmark	5.0%	Denmark	5.0%
Sweden	4.75%	Sweden	4.0%	Sweden	4.0%	Sweden	4.0%

Bond Yields

Country	Yield	Yield	Yield	Country	Yield	Yield	Yield
UK	7.0%	6.25%	7.25%	Netherlands	4.8%	5.75%	5.87%
US	6.8%	6.54%	6.25%	Spain	7.0%	7.35%	6.56%
Japan	6.5%	1.32%	2.80%	Italy	6.25%	6.75%	6.17%
Australia	10.0%	7.27%	6.75%	Belgium	9.0%	4.81%	5.85%
Germany	8.0%	4.56%	6.0%	Sweden	13.0%	5.74%	5.90%
France	4.75%	4.70%	5.50%	ECU	6.0%	4.79%	5.50%

Money Market Rates

Overnight	7 Day	1 Month	3 Months	6 Months	1 Year
Interbank	6.7%	6.7%	6.7%	6.7%	6.7%
Bankers' CDs	6.7%	6.7%	6.7%	6.7%	6.7%
Local Authority Depos	6.7%	6.7%	6.7%	6.7%	6.7%
Discount Market Depos	6.7%	6.7%	6.7%	6.7%	6.7%
Treasury Bills	6.7%	6.7%	6.7%	6.7%	6.7%
Dollar CDs	6.7%	6.7%	6.7%	6.7%	6.7%
ECU Linked Depos	6.7%	6.7%	6.7%	6.7%	6.7%

Tourist Rates

£ Buys	£ Buys	£ Buys	£ Buys	£ Buys	£ Buys
Australia(Dollars)	2.0568	France(Francs)	9.0700	New Zealand(Dollars)	2.3000
Austria(Schillings)	18.9900	Germany(Marks)	2.2850	Norway(Kroner)	2.1500
Belgium(Francs)	35.8300	Greece(Drachmas)	422.5000	Portugal(Escudos)	271.5000
Canada(Dollars)	2.1395	Hong Kong(Dollars)	12.3400	Spain(Pesetas)	225.5000
Cyprus(Pounds)	0.8020	India(Rupees)	1.0410	Sweden(Kronor)	12.2100
Denmark(Kroner)	10.3400	Indonesia(Rupiah)	2.2600	Switzerland(Francs)	2.2600
Holland(Gulden)	3.0200	Japan(Yen)	167.0000	Turkey(Liras)	21.920000
Finland(Marks)	6.2100	Malaysia(Ringgit)	0.8010	United States(Dollars)	1.5040

Liffe Financial Futures

Contract	Settlement	High/Low	Open	Settlement	High/Low	Open
Long Jan	113.14	113.26	113.11	21.05	21.05	21.05
Short Jan	113.14	113.26	113.11	21.05	21.05	21.05
Long Feb	113.14	113.26	113.11	21.05	21.05	21.05
Short Feb	113.14	113.26	113.11	21.05	21.05	21.05
Long Mar	113.14	113.26	113.11	21.05	21.05	21.05
Short Mar	113.14	113.26	113.11	21.05	21.05	21.05

Liffe FTSE 100 Index Option

Settlement price: 4944	Settlement price: 4944	Settlement price: 4944	Settlement price: 4944	Settlement price: 4944	Settlement price: 4944
Call	4944	4944	4944	4944	4944
Put	4944	4944	4944	4944	4944
Call	4944	4944	4944	4944	4944
Put	4944	4944	4944	4944	4944

Energy

Contract	Settlement	High/Low	Open	Settlement	High/Low	Open
Long Jan	113.14	113.26	113.11	21.05	21.05	21.05
Short Jan	113.14	113.26	113.11	21.05	21.05	21.05
Long Feb	113.14	113.26	113.11	21.05	21.05	21.05
Short Feb	113.14	113.26	113.11	21.05	21.05	21.05
Long Mar	113.14	113.26	113.11	21.05	21.05	21.05
Short Mar	113.14	113.26	113.11	21.05	21.05	21.05

Commodity Indices

Index	Settlement	High/Low	Open	Settlement	High/Low	Open
Long Jan	113.14	113.26	113.11	21.05	21.05	21.05
Short Jan	113.14	113.26	113.11	21.05	21.05	21.05
Long Feb	113.14	113.26	113.11	21.05	21.05	21.05
Short Feb	113.14	113.26	113.11	21.05	21.05	21.05
Long Mar	113.14	113.26	113.11	21.05	21.05	21.05
Short Mar	113.14	113.26	113.11	21.05	21.05	21.05

Industrial Metals

Contract	Settlement	High/Low	Open	Settlement	High/Low	Open
Long Jan	113.14	113.26	113.11	21.05	21.05	21.05
Short Jan	113.14	113.26	113.11	21.05	21.05	21.05
Long Feb	113.14	113.26	113.11	21.05	21.05	21.05
Short Feb	113.14	113.26	113.11	21.05	21.05	21.05
Long Mar	113.14	113.26	113.11	21.05	21.05	21.05
Short Mar	113.14	113.26	113.11	21.05	21.05	21.05

Precious Metals

Contract	Settlement	High/Low	Open	Settlement	High/Low	Open
Long Jan	113.14	113.26	113.11	21.05	21.05	21.05
Short Jan	113.14	113.26	113.11	21.05	21.05	21.05
Long Feb	113.14	113.26	113.11	21.05	21.05	21.05
Short Feb	113.14	113.26	113.11	21.05	21.05	21.05
Long Mar	113.14	113.26	113.11	21.05	21.05	21.05
Short Mar	113.14	113.26	113.11	21.05	21.05	21.05

Agricultural

Vol	1122	Index	1283	Vol:	272	Sep	267.75-266.25	266.50
Other Softs								
May	Make No.3**	Shorne	109.0	unq	Soye Ols	FL/100kg	unq	
Jun	Cotton (B)	Shorne	73.06	unq	Cocnoot Oil (75Shorne)		unq	
Jul	Cotton (NY)	UScanzto	73.06	unq	Sundwiler Ols	Shorne	unq	
unq	Wool	Acanzto	unq	unq	Repsessed Ols	FL/100kg	unq	
Jun	Rubber*	Moening	279.5	unq	Groundnut Oil	Shorne	unq	

UK BANKS AND BUILDING SOCIETIES

Cantona a new Kant?

Guy Hodgson on Eric's career options, page 26

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Second chance

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Wilkinson's plan to groom national coach

GLENN MOORE

Football Correspondent

After a weekend in which the spotlight on overseas players underlined the urgency of his task, Howard Wilkinson yesterday launched the Football Association's crusade to improve the quality of English-born footballers.

Wilkinson, the FA's first technical director, issued an ambitious and largely admirable set of proposals which, if carried through, would change the way that English players are developed beyond all recognition.

The most eye-catching suggestion is that the next national coach should be identified now and taken on to Glenn Hoddle's staff, probably as Under-21 coach.

The most radical proposal is that the professional clubs should have total responsibility for the development of talented young players from the age of eight upwards.

In truth neither of these ideas, nor many of the others, are new. Most Continental clubs

have run youth development for years, while Bertie Vogts and Cesare Maldini succeeded to their current posts as coaches of Germany and Italy after running the Under-21 sides.

What is new is the belief, held by Wilkinson, that the practical will exist to adopt his "Charter for Quality". The FA's much criticised executives are certainly behind him, but one wonders about the ageing backwoodsmen on the FA Council who may see their influence under threat.

Wilkinson said they should all be happy with the report, but control of the England Under-15 team is to be taken away from the English Schools FA, while other representative games – run by the ESFA and county FAs – will be greatly curtailed.

The aim is that talented young players should play no more than 30 games per year – mostly for their club academy teams.

"It is a sea change," Wilkinson said. "At the moment the best players play so many games they are sometimes sent home from coaching courses as they are too tired." Wolves' Stephen

Froggatt would agree. He used to play 160 games a year and now suffers from repeated injuries.

All youth coaches are to be better trained and facilities improved. The national school is to close, superseded by similar establishments across the country. A national football centre will be set up with support services dealing with aspects such as the physical and mental welfare of players.

The next national coach – Wilkinson said he had someone in mind – is to be headhunted from January 1998. "Something as important as the national team should not be left in the lurch if the manager ups and aways, as has happened, or the FA dispenses with him," Wilkinson said.

Quite who will be prepared to give up a career in club management to work in Glenn Hoddle's shadow is unclear.

The most obvious omission is the absence of a commitment to impose mandatory qualifications for club managers. This is commonplace on the Continent but appears to have met with strong resistance here. Wilkinson said this was a "red herring" adding that just over 50 per cent of Premiership coaches have qualifications. Which means nearly half of them do not. Levels are higher lower in the league and at youth level.

The other flaw – predictably – concerns money. Premiership clubs can finance academies but lower division ones may struggle to staff and equip them properly – especially as it will be hard to retain players post-Bosman. There was no mention of how this would be overcome.

Coaches at junior levels also need incentives if they are to undertake courses which can be expensive, especially as pay rates are poor or non-existent. Yet Wilkinson was reduced to speaking hopefully of sponsorship.

The proposals are still a huge step in the right direction – if the FA Council pass them. The 90 councillors will debate the report at their summer meeting. Before then there will be considerable lobbying as the executive attempts to persuade the councillors, which has resisted all attempts at overhauling their archaic oligarchy, to accept the charter.

It would be a damning indictment of these men (and one woman) if they reject Wilkinson's exhaustively researched, well meaning and desperately needed proposals. "This is the biggest, most exciting and satisfying challenge of my career," Wilkinson said. "There is sufficient will to make change possible. This report has tried to be practical. No one should have a serious objection, no one is trying to take anything away from anybody." We shall see.

England call for Cole and Scales

ALAN NIXON

Andy Cole and John Scales were drafted into England's squad for the summer last night.

Cole, the Manchester United striker, will replace Les Ferdinand who goes into hospital on Thursday for an operation on the groin injury that has ruled him out of the summer games. Derek Wright, the Newcastle United physiotherapist, said: "He's been aware for a while that he had a problem, but put off doing anything until the end of the season."

The Tottenham defender Scales provides cover for Cole's team-mate Gary Pallister who pulled out of the squad last week. The two players were joining up with the other squad members at England's Cheshire base last night before today's first training session ahead of Saturday's friendly with South Africa at Old Trafford.

England fly to Poland for the World Cup tie next week. Cole may also provide cover for Liverpool's Robbie Fowler who is thought to be about to withdraw from the squad following his nose operation.

There was better news on the injury front for Hoddle yesterday, with Paul Gascoigne

declaring himself fit and ready for England after his latest testimonial appearance.

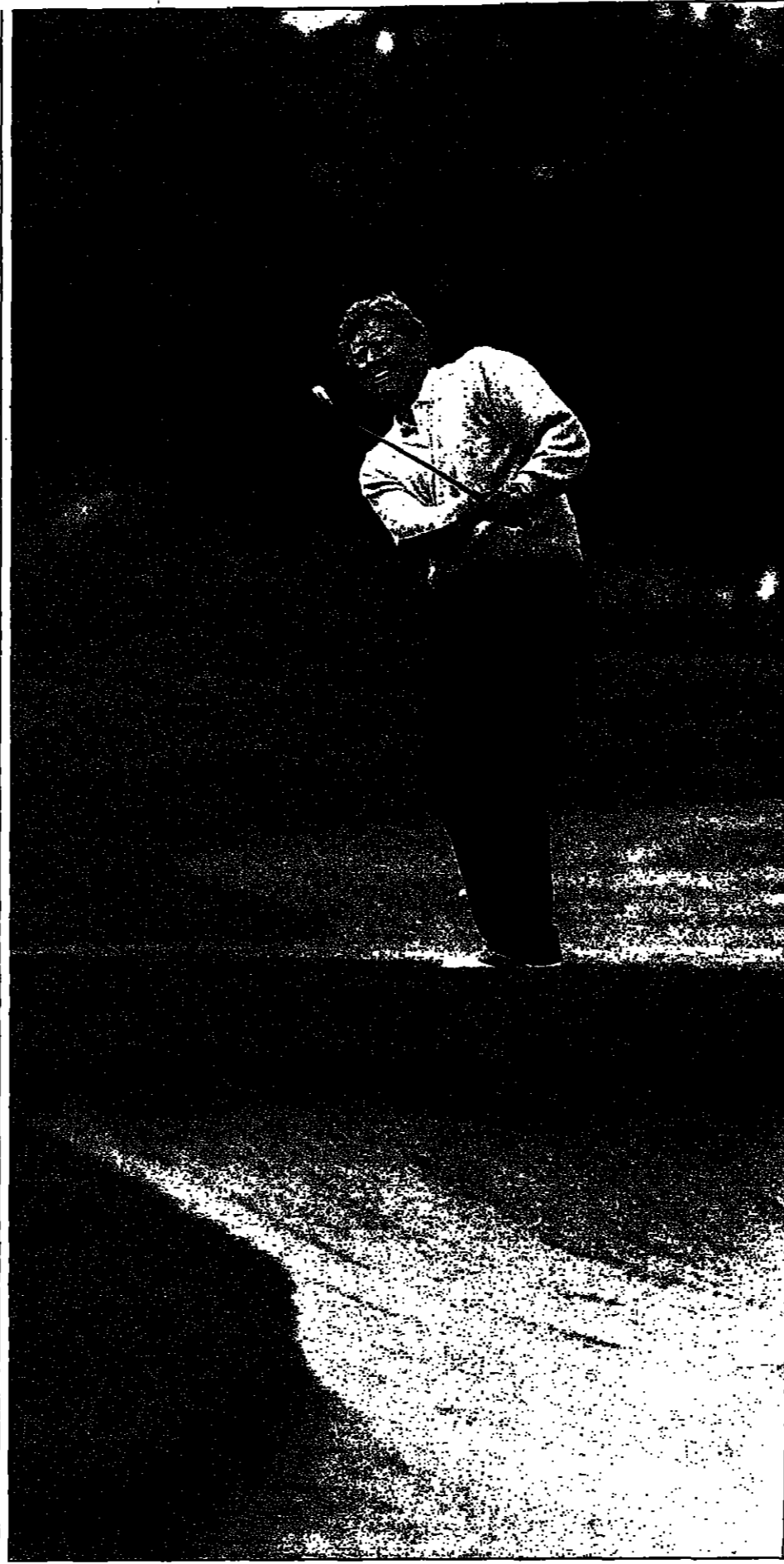
A sell-out 5,770 crowd watched Gascoigne play in a benefit for former Newcastle team-mate Wes Saunders at Torquay – his last game before teaming up with the England squad. Gascoigne's side, which included Chris Waddle in goal, won 8-6 with Peter Beardsley scoring twice against a Torquay XI.

Gascoigne said about his fitness: "I wouldn't be here if I was injured. I'm relaxed and enjoying myself. I love testimonials – I can just go out and play. If another one came along on Monday and Tuesday I'd play in those as well."

Liverpool winger Mark Kennedy and Watford striker David Connolly are doubtful for the Republic of Ireland's Group Eight World Cup qualifier against Liechtenstein at Lansdowne Road tomorrow.

Mick McCarthy, the Republic manager, will monitor their fitness in today's training session in Dublin, but is unlikely to name his side until just before kickoff.

Connolly has a thigh problem which ruled him out of Pat Bonner's testimonial on Sunday, in which Kennedy had to be substituted after 64 minutes with a recurrence of a groin injury.



Colin Montgomerie chips over a bunker during the Andersen Consulting World Championship at the Buckinghamshire yesterday. Photograph: Robert Hallam

Torrance finds form in his favourite format

GOLF

ANDY FARRELL reports from Denham

Welcome to May madness on the European tour. This is fill your footy boots week.

Friday sees the start of the Volvo PGA Championship, with a record £1.1m on offer. Today, the winner of the European qualifier for the Andersen Consulting World Championship will be looking forward to a trip to Arizona where the top prize is \$1m (£625,000). The total purse of \$3,650,000 is the second highest in the world.

Last year's qualifier from these shores was Sam Torrance, who picked up the minimum guarantee of \$300,000 after losing both his matches against Scott Hoch and Hisayuki Sasaki. Torrance has not won much since, but, canny pro that he is, he has run into form at the right moment.

In yesterday's first round, Torrance beat Ian Woosnam 4 and 3. Today he plays Colin Montgomerie, the man he beat 3 and 1 in last year's final, in an all-Irish semi-final. Woosnam did not drop a shot to par round the Buckinghamshire course, but suffered under the matchplay format.

Torrance was one up at the turn and then holed a wedge shot from 69 yards for an eagle at the 11th. He then holed a long putt from 44 yards at the

next and another birdie at the 13th put the result beyond doubt. "This is a game of highs and lows and most of this year has been a low," Torrance said. "I feel better and more confident now. I feel I am back in the swing of things and it is all due to hard effort. I always felt it would just come back and I love matchplay golf."

The format is the game's version of head-to-head combat and is all the more interesting for that. In 1984, a young Spaniard holed a wedge shot and chipped in twice to beat a young Scot in the final of the British Amateur Championship. Montgomerie got his revenge yesterday by beating a bogey-free Olazabal 2 and 1 without holing a putt of any consequence.

"My putting has gone to a new level," Monty said. "I didn't know it could go any lower." The rest of his game, he knew, had to be of a higher order and it was. Always ahead from the first, he hit a six-iron to three feet at the 14th and a five-iron to four feet at the 16th.

"This was not really revenge," he added. "It's just great that Jose Maria is back and playing competitively at the highest level. I have had an admiration for him ever since 1984." The previous evening had been spent watching Tiger Woods' latest triumph in America. "He seems to will the ball into the hole," the awed Montgomerie said.

"His desire is unbelievable. His passion takes over on the back nine. We all accept that he's the best player in the world right now and we have to improve beyond what we thought was necessary to compete."

Torrance had placed a small wager on himself. Montgomerie and Constantino Rocca progressing into the next round. The Italian kept him waiting to collect his money as Jesper Parnevik, on his first appearance in Europe this year, escaped from three down with five to play to take the match into extra holes.

At the second of these, which was actually the first, Parnevik drove into the water and could not beat Rocca's birdie. Rocca plays Darren Clarke, who was a prolific winner in matchplay events as an amateur in Ireland. A prospective Ryder Cup rookie later this year, where he could be a formidable fourball partner, Clarke made five birdies in beating Bernhard Langer 2 and 1.

OVERSEAS CONSULTING WORLD CHAMPIONSHIP (The Buckinghamshire, Denham): First round: C Montgomerie (GB) to J Moore (Ireland) 2 and 1; S Torrance (GB) to I Woosnam (GB) 4 and 3; D Clarke (GB) to B Langer (GER) 2 and 1; C Rocca (ITA) to J Parnevik (SWE) at 20th.

Sam Torrance, Bernhard Langer and Philip Walton are due to go on using broomhandle putters until at least the year 2000. The Royal and Ancient Club has confirmed it is examining the use of long putters, but changes to the rules of the game are made only every four years and the next will be in the new millennium.

Schumacher's football debut

Motor racing

The old story about the football team being so short of players that their coach driver had to turn out has been given a new twist.

In their drive to raise funds for a new strip, a Swiss Third Division football club might have thought they were pushing their luck asking Michael Schumacher's manager for a donation, but they got more than they bargained for. Rather than money, they picked up a new player.

Schumacher, who naturally fancies himself up front, asked Aubonne for a game and the former Formula One world champion made his debut leading the attack on Sunday.

Despite this efforts to drive them on in the first half, their new centre-forward had to endure a rare taste of defeat. Aubonne, apparently the Minardi of Alpine football, went down 6-1 to Genolier-Begnins. Schumacher, who no doubt will be nicknamed Prancing Horse, ran out of fuel at half-distance. "His attitude was very good,"

Aubonne's coach, Michael von Tobler, told the daily *Le Matin*. "But it's difficult to judge his ability after just one half." He had only trained three times, von Tobler said, and "does not know the other players very well yet." Like his rivals on the grand prix circuit, they will probably recognise him best from behind.

Aubonne hope Schumacher, who lives near Lake Geneva, will be able to play for them every other Sunday, but his employers at Ferrari might not be too keen on their world title contender risking being injured.

Grayson will miss Lions first outing

Rugby Union

CHRIS HEWITT reports from Durban

Rather like John McEnroe's left arm or a darts champion's beer gut, Paul Grayson's right leg is fundamental to his sporting art. Unfortunately for the goal-kicker from Northampton, that appendage is giving him no end of hassle; unfortunately for the Lions, he cannot be considered for the opening salvo of the South African tour against Eastern Province on Saturday.

Grayson sat out all the meaningful sections of yesterday's first-up training session at King's Park, a two-hour stint sweated out in temperatures in the high seventies. "It's not going to get much hotter, apparently," Ian McGeechan, the senior coach, said without the slightest degree of conviction. Most of the Lions went straight from training field to swimming pool without passing Go.

McGeechan was careful not to sound too many alarm bells on the subject of Grayson, one of only two specialist goalkeepers in a squad decidedly lacking in backwash, and the player himself insisted that the muscle strain at the top of his thigh was "almost right". But the unpleasant fact remains that England's first-choice outside-half has not laced up his boots in anger since the middle of March, hardly ideal preparation for the rigours of an eight-week jaunt around Bokkeddom.

"Paul's problem is not directly connected with the injury that kept him on the sidelines towards the end of the domestic season, although it's in the same area of his kicking leg," said McGeechan, who also saw Jeremy Davidson, the Irish lock, pick up a neck strain and Alan Tait, the Scottish centre, withdraw from the session with a viral infection. "We don't want to jeopardise his recovery by asking him to do too much too soon."

Given McGeechan's declared policy of giving all 35 players a start in the opening three matches – the games with Border and Western Province follow this weekend's rumble at the Boet Erasmus in Port Elizabeth – Grayson will be under pressure to prove his fitness by the time the Lions reach Cape Town on Thursday week. If he fails, Mike Catt can expect to be

whistled up from England's tour of Argentina.

Martin Johnson, the captain, and his fellow forwards bore the brunt of yesterday's session, mercilessly administered by the Ayatollah of scrummaging, Jim Telfer. The Scottish coach could watch set-piece rehearsals all day long and seemed perfectly prepared to on this occasion as his charges pitted their strength against the latest in designer scrum machines. And how did he rate the session on a scale of one to 10? "Oh, about three. God help the Lions when he asks for some serious effort."

Privately, the Lions believe they can hold, perhaps even dominate, the very best tight units the South Africans have to offer. Their main concern, outside of injuries, is how the big matches will be refereed. To that end, McGeechan lunched yesterday with two of the Springboks' most highly regarded officials, Steve Strydom and Erik Burger, in an effort to get on the inside track.

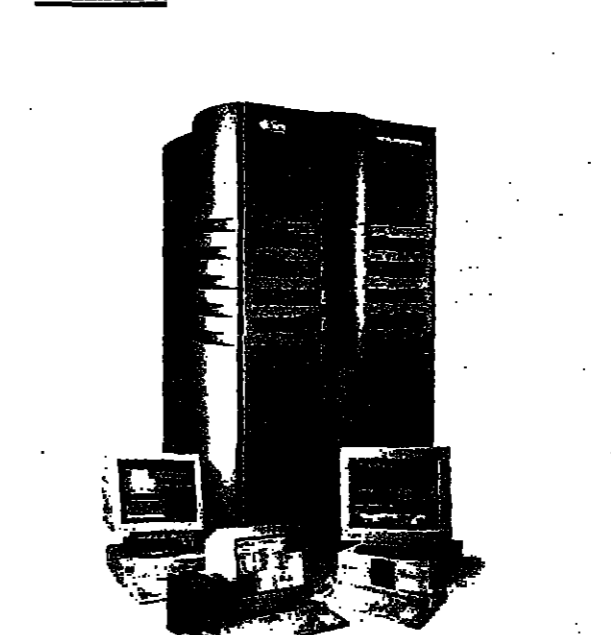
"We want to play positively but with some control and if we end up conceding strings of penalties, it won't do us any good and neither will it benefit the game as a whole," he said. "I'm not being defensive about this, but realistic. We need to understand the philosophy of referees in this part of the world." McGeechan will not have forgotten the experience of Christchurch 1993, when his Lions side lost the opening Test of a three-match series with New Zealand as a direct result of a myopic interpretation of the ruck law by the Australian Brian Klose.

McGeechan learned something else in New Zealand that year; that talented players perform better off the leash than on it. "We will not discourage anyone from being positive on this trip. I don't want the players to feel they are in a strait-jacket; indeed, I want to see us develop a more instinctive style than we managed four years ago. But having said that, I've never been in favour of loose rugby. To play with instinct, you also have to play with self-discipline. Those will be the watchwords on this tour."

Richmond have signed Barry Williams, the Wales and Lions hooker, from Neath to replace Brian Moore, who retired at the end of the season.

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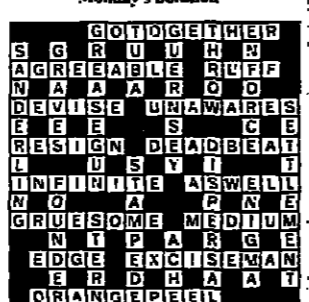
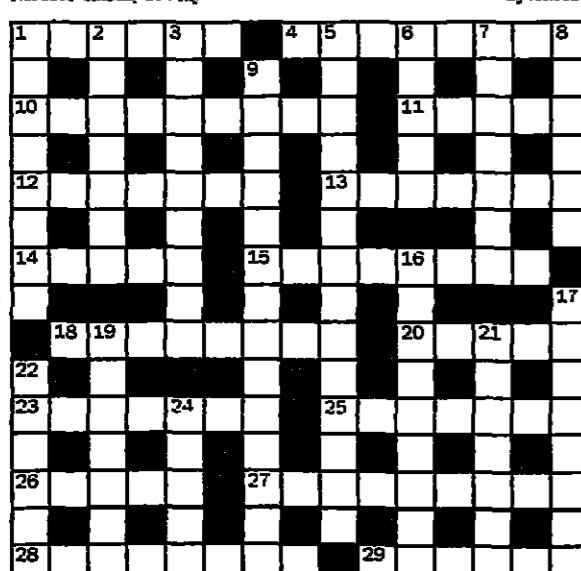
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THE INDEPENDENT CROSSWORD

No. 3303 Tuesday 20 May

By Aired

Monday's Solution



ACROSS

- 1 A way to unknown want of concern (6)
- 4 Get away to secure a day of adventure (8)
- 10 Cause of one's rather too burning an interest in things? (9)
- 11 Search round a familiar place (5)
- 12 One keeps turning into plant (7)
- 13 Noble state of party in fanciful realm (7)
- 14 Spell of work in square with shade (5)
- 15 Welshman's question on Irish independence, it's a bit rum? (8)
- 18 Uganda's English dive produced brandy (3,2,5)
- 20 In French said to indicate more of the same? (5)

DOWN

- 23 Lunch served round north-east France after passing through it? (7)
- 25 Plan of diplomacy by one joining Civil Service (7)
- 26 Taking a chance after day's passed, showing effect of cold? (5)
- 27 Fat cat maybe in favour of getting healthy always (9)
- 28 Time for turnips said to have low water variation? (4,4)
- 29 Bedfordshire's the place for accommodation (3,3)

ACROSS

- 6 A British house's resistance to hate (5)
- 7 Separate in the manner shown below? (7)
- 8 Lay to rest poor Eton doctor (6)
- 9 Weedy film with insufficient exposure? (14)
- 16 Put right a French male on December night, about one (9)
- 17 Play violin with brio after one's gone to front of boat (8)
- 19 A chimney in Edinburgh is a bit of corundum (7)
- 21 Priest upset about conservative muscle (7)
- 22 Fellow leaves partisan group's movement (6)
- 24 Time to close? (5)

مكتبة من الرصيد